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PLOWDEN NOMINATION

JOINT HEARING
BEFORE THE
COMMITTEE ON LABOR AND HUMAN RESOURCES
AND THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE
NINETY-SEVENTH CONGRESS

FIRST SESSION

ON

NOMINATION OF WILLIAM COSKREY PLOWDEN, JR., OF SOUTH CAROLINA, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT

NOVEMBER 17, 1981

Printed for the use of the Committee on Labor and Human Resources
and the Committee on Veterans' Affairs

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NOMINATION OF WILLIAM C. PLOWDEN, JR., OF SOUTH CAROLINA, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT

TUESDAY, NOVEMBER 17, 1981

U.S. SENATE,
COMMITTEE ON LAPOR AND HUMAN RESOURCES AND
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The committees met, pursuant to notice, at 11:00 a.m., in room 4232, Dirksen Senate Office Building, Hon. Alan K. Simpson (chairman of the Committee on Veterans' Affairs) presiding.

Present: Senators Alan K. Simpson, Strom Thurmond, and Alan Cranston.

OPENING STATEMENT OF HON. ALAN K. SIMPSON, CHAIRMAN OF THE SENATE COMMITTEE ON VETERANS' AFFAIRS

Chairman SIMPSON. The hearing will come to order.

This is a joint hearing of the Veterans' Affairs and the Labor and Human Resources Committees on the nomination of Willam Coskrey Plowden, Jr., to be Assistant Secretary of Labor for Veterans' Employment.

I have a brief opening statement. Mr. Plowden, we welcome you here this morning and appreciate the opportunity to present some questions to you concerning your views on the duties and responsibilities of the position you have been nominated to fill. We are also interested in knowing the present position of the administration concerning programs and issues relating to veterans' employment.

Members of the Labor and Human Resources Committee and the Veterans' Affairs Committee have been most interested in seeing the nomination made for this important position. We consider the position to be extremely critical and, for the person chosen, a real challenge to serve the employment needs of veterans, especially in these times of severe cutbacks in Federal assistance.

The Assistant Secretary of Labor for Veterans' Employment has the potential for greatly improving veterans' employment possibilities, especially the employment of the Vietnam-era veterans, veterans of minority groups, and disabled veterans. There are a number of laws designed to meet the employment needs of these veterans. The most critical job of the Assistant Secretary is to see to it that these laws are fully and effectively implemented.

The Veterans' Education and Employment Assistance Act of 1976 created the Office of Deputy Assistant Secretary of Labor for Veterans'

Employment. The intent of the legislation was to significantly increase the ability of the Veterans' Employment Service to deal effectively with employment problems in governmental and private sectors.

Last year's veterans rehabilitation and education amendments, a public law introduced by my good friend at the table today, Senator Strom Thurmond, elevated the position of Deputy Assistant Secretary of Labor for Veterans' Employment to the level of Assistant Secretary.

Today's hearing is the first confirmation hearing for the position of Assistant Secretary for Veterans' Employment. Hopefully, the employment needs of our Nation's veterans will be more adequately fulfilled with the Assistant Secretary of Labor for Veterans' Employment having direct access to the Secretary of Labor and with proper authority for his many important responsibilities.

Statistics from the Bureau of Labor clearly indicate to us the need for renewed and vigorous effort to assist Vietnam-era veterans in the all important matter of employment. Unemployment rates obviously generally have significantly increased within the past year. The new Assistant Secretary of Labor for Veterans' Employment will be facing a real challenge in improving the employment picture for veterans.

Members of the two committees will be closely monitoring the activities and accomplishments of the new Assistant Secretary for Veterans' Employment. It is our desire to work with the new Assistant Secretary and to assist in achieving the goal of full and productive employment.

Before I introduce Senator Thurmond to introduce the nominee, I will ask if my good friend from California, Senator Cranston, has any comment.

Senator **Cranston**. I have a brief opening statement, but I will defer it so Senator Thurmond may make his introductory remarks. I know you, Senator Thurmond, have another date you have to keep.

Senator **Thurmond**. Thank you very much.

Chairman **Simpson**. Senator Thurmond?

TESTIMONY OF HON. STROM THURMOND, A U.S. SENATOR FROM THE STATE OF SOUTH CAROLINA

Senator **Thurmond**. Mr. Chairman and gentlemen of the committee, it is a special pleasure to be here today to introduce my long time friend and fellow South Carolinian, Col. William C. Plowden, Jr., who is President Reagan's nominee for the position of Assistant Secretary of Labor for Veterans' Employment.

As sponsor of the legislation which upgraded this position to the Assistant Secretary level, I am acutely aware of its vital importance and of the great responsibilities which are placed upon the man who accepts its challenges.

Mr. Chairman, I know of no man who is better qualified than Colonel Plowden to perform these responsibilities and to give the quality leadership which is so badly needed in the Veterans' Employment Services of the Labor Department.

Colonel Plowden has rendered outstanding service to our country and its veterans for many years. He served in World War II as a lieutenant colonel with the U.S. Army, and continued his military service in the Army Reserve, retiring in 1965 as a colonel.

Colonel Plowden is a member of the American Legion, and he has served in many local, State, and national capacities, including a term as South Carolina department commander. He has served on the Legion's National Americanism Commission since 1961. He is also a member of the Veterans of Foreign Wars, the Disabled American Veterans, the Military Order of the World Wars, and other veterans' organizations. He is a past State president of the Reserve Officers Association.

Mr. Chairman, I believe that very often the nominees who come before Congress for confirmation, while qualified for their positions, must spend valuable time learning their areas of emphasis and the programs under their direction.

As State director of the Veterans' Employment Service in South Carolina, Colonel Plowden has already developed an expertise in the very programs he will coordinate as Assistant Secretary for Veterans' Employment. This is an extremely valuable asset for an appointee who is taking the reins of a program which needs immediate attention.

I take great pride in introducing Colonel Plowden to you today. I strongly endorse his nomination and urge his swift confirmation.

Mr. Chairman, I would like to say that I have a telegram here from the president of the NAACP in the home county in which Mr. Plowden resides. This is addressed to me at the Russell Office Building. I believe it is dated today.

It reads this way:

> We wholeheartedly endorse the appointment of W. C. Plowden as Assistant Secretary of Labor for Veterans' Affairs. If appointed, we are sure Mr. Plowden will be a credit to his country. It is signed by Billy S. Fleming, president, Manning branch, NAACP.

Mr. Chairman, I might note the presence here today of a few people who have come at their own expense just to be present for this hearing. They are available if you wish to ask them to testify: Mr. Henry Field, who is a Regional Director of Veterans' Employment from Atlanta, Ga.; Mr. William Davie of Philadelphia, who is a State director of Veterans' Employment Service; Mr. James Gates of Alabama, who is a State director of Veterans' Employment Service; and Mr. Willie Perry of South Carolina, assistant to Mr. Plowden. I would like for him to stand since he has been working with Mr. Plowden. Also, Mr. Dan Martin of Rhode Island, State director of Veterans' Employment Service; Mr. Leon Scull of New Jersey, a State director of Veterans' Employment Service; Mr. Ben Trotter of Virginia, a State director of employment; Mr. George Joiner of the District of Columbia, a State director of Veterans' Employment Service; and Mr. Ralph Hall with the Veterans' Employment Service staff of Washington, D.C. They are here if you wish to hear from any of them.

I understand today you will be hearing from the director of the National Legislative Commission of the American Legion, Mr. Philip Riggin; the executive director of the Veterans of Foreign Wars, Mr. Cooper T. Holt; the national employment director of the Disabled American Veterans, Mr. Ronald W. Drach; the national service and legislative director of AMVETS, Mr. Gabriel P. Brinsky; and the employment director of the Blinded Veterans Association, Mr. John Fales. I understand they are on the agenda to be heard today.

Mr. Chairman, I am not going to take more of your time, but I would like to ask that Mr. Plowden and his family stand. Let me see who is here. There is Mrs. Ruth Plowden, the wife of Mr. Plowden, and Miss Martha Plowden, their daughter.

Chairman SIMPSON. It is nice to have you with us. Welcome to the hearing.

Senator THURMOND. I think that completes my statement, Mr. Chairman. I just want to reiterate that I have known Colonel Plowden all these years and I do not know of a finer man of character, integrity, and a man with more capacity to do this job. He is a man who has experience in this area as State director in South Carolina. He is well qualified, and, in my opinion, he will make an outstanding Assistant Secretary of Labor for Veterans' Employment.

Chairman SIMPSON. I thank the Senator from South Carolina who authored and was most instrumental in the passage of the legislation creating the position of Assistant Secretary. I know of your deep feeling.

I believe you have Congressman Napier with you.

Senator THURMOND. Yes. I have to leave now, but, if you will permit, the Congressman from Colonel Plowden's district is here, John Napier, a very able, fine young man who is making an excellent record in Congress. If you could hear him, I would appreciate it.

Chairman SIMPSON. Congressman Napier?

Senator CRANSTON. I would like to welcome the Congressman. He is a former member of the staff of this committee. We had a very good working relationship. It is good to see you again. I am glad you are where you are now.

TESTIMONY OF HON. JOHN L. NAPIER, A U.S. REPRESENTATIVE FROM THE STATE OF SOUTH CAROLINA

Mr. NAPIER. Thank you very much.

Mr. Chairman and Senator Cranston, it is indeed a pleasure to be able to come back and testify before this committee. I come back to testify on behalf of a man who is well thought of in South Carolina, one of our most outstanding and distinguished citizens.

I cannot go into more detail than Senator Thurmond has already gone into. It is evident how he is held in South Carolina, but I do have a written statement I would like to submit for the record.

I would just like to say that, as a staff member working on the committee, I had the opportunity to work with the first legislation that was enacted for a Deputy Assistant Secretary of Labor for Veterans' Employment. Senator Thurmond and Senator Cranston were here at that time. I believe that is the type legislation that is needed. This is the type man who is fashioned to fit the bill for what the Congress asked for.

I would just like to say it is a distinct pleasure to be able to walk across Capitol Hill and testify on behalf of a man of the caliber of Col. W. C. Plowden, one of our outstanding and most distinguished South Carolinians.

Thank you, Mr. Chairman.

Chairman SIMPSON. Thank you, Congressman.

I am very pleased that you came. I did not realize that you had been a staff member of this committee. I believe, sir, you served with the sharpest bunch on Capitol Hill, both the majority and minority. I have found that to be very, very true.

Thank you for being here.

Mr. NAPIER. Thank you, Mr. Chairman. I would concur. I would just like to say it is the most nonpartisan bipartisan committee I believe I have ever witnessed. We are very fortunate to have members on the committee of yours, Senator Cranston's, and the others' caliber.

Chairman SIMPSON. Thank you for your presence.

[The prepared statement of John L. Napier, a U.S. Representative from the State of South Carolina, follows:]

PREPARED STATEMENT OF HON. JOHN L. NAPIER, A U.S. REPRESENTATIVE FROM THE STATE OF SOUTH CAROLINA

Mr. Chairman, the appointment of William C. Plowden of New Zion, S.C. as Assistant Secretary of Labor for Veterans' Employment is not only a wise move, but an essential step towards improving the plight of our veterans.

Bill Plowden knows the situation our veterans are facing in these days of uncertainty. He knows, because he is a veteran. He knows, because he has maintained close contact with those who have served and are serving in our military forces. His record as State Director of South Carolina's Veterans' Employment Service reveals he not only knows the situation well, but that he has fulfilled that assignment to the highest possible degree.

It is only appropriate that this appointment be considered so close to the day we have set aside to honor our veterans. Bill Plowden deserves a double honor for his previous service to his nation and for improving the employment prospects of South Carolina's veterans. His confirmation in this post is a guarantee that our veterans will receive the proper attention they need.

Although this is a confirmation hearing, it is not surprising to those of us from South Carolina that we are here to attest to the ability of this man to carry out this vital mission. In view of his dedication to veterans' affairs and his devotion of his nation, the desire to serve in the capacity is an inevitable step for Bill Plowden.

As the Administration's spokesman for veteran's employment, we are certain he will carry out his new assignment with the energy and vigor for which he is so well known. I urge your affirmative consideration for a man who is eager to continue a life-long path of valuable service to the Nation he so dearly loves.

Chairman SIMPSON. Senator Cranston of California, my good colleague and ranking member of this committee, I believe you have a statement.

Senator CRANSTON. Thank you, Mr. Chairman.

I will be quite brief. I join you in welcoming everyone here for this morning's joint hearing by these two committees on the nomination of William C. Plowden to be the first Assistant Secretary of Labor for Veterans' Employment, a position that was upgraded from the Deputy Assistant Secretary level primarily through the persistent and persuasive efforts of my friend from South Carolina, Strom Thurmond.

My commitment to meeting the employment needs of our Nation's veterans is longstanding, both as a former member of the Labor and Human Resources Committee and as a member and former chairman of the Veterans' Affairs Committee and now as its ranking minority member. I am deeply concerned about all of the Department of Labor's activities that affect veterans' employment, especially those related to Vietnam-era veterans, disabled veterans, and minority group veterans.

I have long worked to insure that our Nation honors its obligations to those who have served this country in the Armed Forces. Clearly, that obligation includes doing all we can so that those who have served on the front lines do not end up on the unemployment lines.

While the vast majority of Vietnam-era veterans are now leading productive lives and contributing to our Nation's labor force, some, particularly those who lack the job skills to compete effectively and those who are still bearing the physical and psychological wounds of battle, continue to need assistance.

This morning we will be discussing with Mr. Plowden his commitments, priorities, and thoughts with respect to the important position for which he has been nominated. Because we have a great deal of ground to cover, I will conclude my opening remarks at this point.

Chairman SIMPSON. Thank you very much, Senator Cranston.

I order now to be placed into the hearing record a statement relative to the Labor Department and the Assistant Secretary of Labor for Veterans' Employment.

[The statement referred to follows:]

DEPARTMENT OF LABOR VETERANS PROGRAMS

I. BACKGROUND

Several veterans programs are administered by the Department of Labor, having been mandated by legislation and subsequent amendments over the years. At present the veterans program responsibilities, which are described in the following section, are assigned to the Assistant Secretaries for Employment and Training, Labor-Management Relations and Employment Standards.

In 1976, in order to improve the coordination of veterans programs within the Department, Congress enacted Public Law 94-502, the Veterans Education and Employment Assistance Act of 1976. That Act, among other things, provided for the establishment of a Deputy Assistant Secretary of Labor for Veterans' Employment (DASVE), who would act as the principal advisor to the Secretary with respect to the formulation and implementation of all departmental policies and procedures for the veterans programs administered by ETA, ESA and LMSA. In response to the 1976 Act, the position of DASVE was established in ETA, and that official was assigned responsibility for the VES which had been a subordinate component of the USES.

More recently Congress passed, and the President signed Public Law 96-466, the Veterans Rehabilitation and Education Amendments of 1980. Included in that legislation was a provision for elevating the DASVE position to the Assistant Secretary level by establishing a position of Assistant Secretary for Veterans' Employment. An organizational structure for a new office of an ASVE is now being considered by the Department.

II. EMPLOYMENT AND TRAINING ADMINISTRATION (ETA)

Within ETA there are three major components with separate responsibilities for veterans programs: Veteran Employment Service (VES), United States Employment Service (USES), and the Office of Comprehensive Employment Development (OCED).

A. *Veterans Employment Service (VES)*. VES is responsible for assuring that veterans are given priority for job placement, counseling and referral to training activities of USES and its affiliated State Employment Security Agencies (SESA's). In addition, VES is responsible for promoting the participation of veterans in Comprehensive Employment and Training Act (CETA) programs. Monitoring and evaluation of the implementation and operation of SESA and CETA programs are specific legislative responsibilities of VES.

Other major mandated roles of VES are to provide for a national veterans outreach and public information program as prescribed by Section 305 of CETA and to administer the recently legislated Disabled Veterans Outreach Program.

VES also maintains cooperative working relationships with veterans organizations, other Federal agencies, private employers, and Congressional committees which have an interest in veterans' employment and training needs.

Organizationally, VES has a national office staff of 10 professionals and 3 clerical positions. The field staff consists of 10 Regional Directors for Veterans Employment (RDVE's), 52 State Directors for Veterans Employment (SDVE's), and 94 Assistant SDVE's with 52 secretaries for the SDVE's. The Office of the current DASVE has 2 professional and 1 clerical positions. The RDVE's report directly to the Director of VES. Presently the RDVE's are located in the regional offices of ETA and the SDVE's and ASDVE's are provided space and equipment by the SESA's.

B. *United States Employment Service* (*USES*). Congress, through the Wagner-Peyser Act of 1933, provided for a Federal-State system of public employment services, including the mandate "to maintain a veterans service to be devoted to securing employment for veterans." Each of the more than 2,500 local employment service offices with sufficient workload are required by law to have a local veterans employment representative whose time is fully devoted to working specifically on veterans employment and training activities. Smaller offices are required to have part-time specialists in this area.

Throughout the entire Federal-State public employment service system veterans are given priority in services and disabled veterans receive preferential treatment over other veterans. Services include counseling, testing, job development, referral to training and other agencies and placement.

USES is also responsible for operating the "Mandatory Listing" portion of Chapter 42, Title 38, U.S. Code, which requires eligible Federal contractors and subcontractors to list job openings with the Federal-State ES for the purpose of increasing job placement opportunities for veterans. (See IV.)

C. *Office of Comprehensive Employment Development* (*OCED*). OCED is responsible for administering employment and training programs under CETA. About 480 prime sponsors are required under CETA to provide eligible target group veterans with priority services. To ensure that such priority services are provided by prime sponsors, VES field staff are required to promote the participation of veterans, and monitor the implementation and operation of CETA programs.

III. LABOR-MANAGEMENT SERVICES ADMINISTRATION, OFFICE OF VETERANS' REEMPLOYMENT RIGHTS (OVRR)

OVRR assists veterans, reservists, national guardsmen, and rejectees in exercising their reemployment rights pertaining to the job, seniority, status and rate of pay they would have achieved had they not been in the service.

OVRR investigates complaints and negotiates and mediates with the parties, and in impasse situations, in coordination with the Solicitor, prepares cases for possible litigation in the courts by the Department of Justice.

Information is provided to veterans and their pre-service employers on the requirements of the reemployment rights law as well as the addresses of field offices where further assistance and information can be obtained. State Employment Services are also provided with basic information on individual separatees.

Organizationally, OVRR has a total staff of 59, 9 positions in the National Office and 50 in the field. OVRR provides services to veterans from 6 Regional, 24 Area, and 19 Resident Offices.

IV. EMPLOYMENT STANDARDS ADMINISTRATION, OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS (OFCCP), VETERANS AND HANDICAPPED SECTION

Government contractors and subcontractors with contracts of $10,000 or more are required to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era. They are also required to list suitable employment openings with local employment service offices and provide periodic reports indicating the number of covered veterans hired. The local employment services offices must give these covered veterans priority in referral to such employment openings.

A disabled veteran, or veteran of the Vietnam era, who believes that a contractor has failed or refuses to comply with the affirmative action requirements may file a complaint with the Local Veterans Employment Representatives (LVER's) who are located in State employment service local offices. LVER's assist veterans in preparing complaints and referring the complaints to the Assistant Secretary for Employment Standards for investigation. The State employment services will cooperate with the Assistant Secretary for ESA in the investigation of any complaint.

OFCCP, Veterans/Handicapped project 12.7 staff years for the National Office in fiscal year 1981. Veterans handicapped field enforcement functions are carried out by OFCCP compliance officers in each of the ESA regional and area offices.

Chairman SIMPSON. At this time I want to thank those who have served in the capacity of Deputy Assistant Secretary of Labor for Veterans' Employment: Roland Mora, September 9, 1977 to July 30, 1978; and Dennis Wyant, March 26, 1979 to March 11, 1981. One of my first participations on this committee was his confirmation.

I want to congratulate Dennis Wyant for his 2 years of service as Deputy Secretary of Labor for Veterans' Employment. He put forth a tremendous effort in behalf of veterans' employment. I know he will be continuing his strong interest in veterans' affairs in the years ahead.

I would also enter into the record at this point the statements of Senator Orrin G. Hatch, chairman of the Committee on Labor and Human Resources, and Senator Robert T. Stafford, member of the Committee on Veterans' Affairs.

[The statements referred to follow:]

PREPARED STATEMENT OF HON. ORRIN G. HATCH, CHAIRMAN OF THE COMMITTEE ON LABOR AND HUMAN RESOURCES

I am very pleased that the President has nominated Mr. William Plowden to be Assistant Secretary of Labor for Veterans' Employment. The President has found in Mr. Plowden a highly qualified individual to oversee a vital component of our Nation's employment and training program. The mission of the Veterans' Employment Service is to ensure that the Department provides effective job placement, counseling and training services to veterans and other eligible persons through existing programs. Many of these programs, of course, involve direct involvement of State agencies, veterans organizations, and the employer community. A decorated veteran himself, Mr. Plowden, I am sure, will be able to relate to all sectors quite effectively. He is well known and respected among the various veterans' groups. Equally important, he has served as State director of veterans' employment of South Carolina.

I think we all must recognize that Mr. Plowden faces a tremendous challenge. He must work within the constraints of a modest budget, which may face reductions in the future. Moreover, our economy is undergoing significant reordering, with unemployment having risen. These all work to make the job of placing and counseling our Nation's veterans more vital and perhaps at times more difficult. However, I am sure that Mr. Plowden is up to the task. And I want to assure him of our support. We certainly stand ready to give him every assistance.

PREPARED STATEMENT OF HON. ROBERT T. STAFFORD, A U.S. SENATOR FROM THE STATE OF VERMONT

I join in extending a warm welcome to you, William C. Plowden, Jr., to today's hearing. We have been waiting for some time now for the Administration to send to the Senate the name of a nominee for Assistant Secretary of Labor for Veterans' Employment. The filling of this position is of considerable interest to many of us after too long a period of time.

Unemployment among Vietnam veterans continues to be much too high. For many years, many of us have had the opinion that more and better direction is needed within Government to assist in reducing unemployment and in improving the general situation of veterans, particularly Vietnam veterans.

A concerted effort within the Department of Labor and in cooperation with the Veterans' Administration and other departments and agencies of the Federal Government and in the private sector is greatly needed. There is no question but that there needs to be a concentration of effort upon the severe problem of veterans unemployment, particularly that of disabled veterans and Vietnam-era veterans, and veterans of minority groups.

The Assistant Secretary of Labor for Veterans' Employment has a tremendous challenge and opportunity to achieve significant results. I am confident every member of these two committees will work to cooperate fully in achieving full employment for the veterans who have made tremendous sacrifices for the benefit of all Americans.

Chairman SIMPSON. I indicate, too, that Senator Randolph asked particularly that I announce that he is unable to be present this morning because of his involvement in the markup of the Clean Air Act. He is a very vigorous participant in this committee's activities.

Without objection, I order to be placed at this point in the hearing record a biographical résumé, part 1 of the informational questionnaire to be completed by Presidential nominees, a letter of November 10, 1981 from William C. Plowden, Jr. and also a letter of November 13, 1981, from J. Jackson Walter, Director, Office of Government Ethics, Office of Personnel Management, informing me as chairman of the Committee on Veterans' Affairs that Mr. Plowden is in compliance with applicable laws and regulations governing conflicts of interest.

[The biological résumé, part 1 of the informational questionnaire to be completed by Presidential nominees, a letter of November 10, 1981 from William C. Plowden, Jr. and the letter of November 13, 1981 from J. Jackson Walter, follow:]

WILLIAM COSKREY PLOWDEN, JR.

William Coskrey Plowden, Jr., Post Office Box 8, New Zion, South Carolina 29171.

Personal data.—Date of Birth: July 15, 1918; Place of Birth: New Zion, South Carolina; Marital Status: Married (three children): Age: 62.

Work and military experience.—As a Federal official administratively responsible to Secretary of Labor for supervision and coordination of V.E.S. activities in South Carolina; acted in concert with elected and appointed officials at all levels of government.

Appointed to the Americanism Commission of the American Legion National Organization in 1961 and have served on that Commission ever since; have also served as Americanism Chairman from the State of South Carolina American Legion. I served as Department Commander of the American Legion, Department of South Carolina and all local offices building up to this position. I am a member of the VFW, DAV and the Military Order of the World Wars. Have served as State president of the Reserve Officers Association of which I am a life member.

Served in World War II in the China Burma Theater attaining the Rank of Lieutenant Colonel; continued my reserve status; retired from the reserve as a full Colonel in 1965 with 23 years of good service.

Education.—Finished the Citadel Military College of South Carolina 1939 with a B.S. Degree in Business Administration.

Business experience.—Have owned and operated three automobile dealerships; one insurance agency and two tractor dealerships.

References.—Senator Strom Thurmond, 209 Russell Senate Building, Washington, D.C. 20510; Mr. Jack David, Director, Employment Security Commission, South Carolina; Mr. Austin Kerby, 1608 K Street, N.W., Washington, D.C. 20006; Mr. Leon Scull, 741 Estates Boulevard, Apt. 79, Trenton, New Jersey 08619.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

Name: PLOWDEN, JR. (LAST) WILLIAM (FIRST) COSKREY (OTHER)

Present address: P.O. Box 8 New Zion, (CITY) South Carolina (STATE) 29111 (ZIP CODE)

Position to which nominated: Asst. Sec. for Vet. Empl.

Date of nomination: 20 October 1981

Date of birth: 15 (DAY) 07 (MONTH) 13 (YEAR)

Place of birth: New Zion, South Carolina

Marital status: Married

Full name of spouse: Ruth Wilbur Plowden

Name and ages of children:
Mrs. Juanita Plowden West 39
Maj. William Coskrey Plowden, III 33
Miss Martha Norris Plowden 25

Education:

Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
Salem Centralized High		H.S. Diploma	1935
The Citadel, Charleston, S.C.	1936-1939	B.S.	1939

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Pacific Asiatic Service Medal
Bronze Star Battle Honors
American Defense Service Medal
Burma Campaign Star
Central Burma Campaign Star
American T Service Medal
World War II Victory Medal

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations for the last five years and any other prior memberships or offices you consider relevant.

Organization	Office held (if any)	Dates
SEE ATTACHED LIST		

Employment record: List below all positions (except military service) held since twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

President And Former Mananger- W.C. Plowden, Inc. New Zion, S.C.(Ford Dealership

President and former Gen. Manager- Plowden Ford Inc. Lake City, S.C.

President of Plowden Motors Inc. Pamplico,S.C.

Owner, W.C. Plowden, Jr. Insurance Agency New Zion, S.C.

Past President of Palmedico Pharmaceutical Co. Columbia, S.C.

Chairman of the Board of Directors, Volunteer Holding Co. Columbia, S.C.

Farmer with approx. 150 acres cleared land under cultivation New Zion, S.C.

State Director Veterans Employment for the State of South Carolina Columbia,S.C
(See Attachment for detail)

Military service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

U.S. Army Active June 1941-Dec.1945

U.S. Army Reserve Dec 1945-August1965

Retired with rank of Colonel (O6)

Con't of Page 2 WILLIAM C. PLOWDEN, JR.

MEMBERSHIPS:

Reserve Officers Association of S. C. - Past President - (1948-1949)
The American Legion, Dept. of S. C. - Past Dept. Commander (1957-1958)
The Black River American Legion Post No. 149 - Post Commander (1948-1953& 1968-Present)
District 11, The American Legion, Dept. of SC - District Commander (1953-1955)
The American Legion , Dept. of SC-Chairman, Membership & Post Activities (1955-1956)
Zone 4, The American Legion, Dept. of SC - Zone Commander -(1954-1956)
The American Legion, Dept. of SC - Americanism Chairman (1960-Present)
National Americanism Commission, The American Legion - Member -(1965-Present)
Commerce & Industry Committee, The American Legion, Dept. of SC - Chairman (1974-1976)
National Education Committee, The American Legion - Member (1977-Present)
National Legislative Council, The American Legion - Member - (1978 - Present)
Clarendon County Chamber of Commerce - Past Director
Ford Dealers Association of South Carolina - Past President
Local School Board - Former Chairman
The First Economic Opportunity Committee of Clarendon County - Chairman
Board of Directors, the Kidney Foundation of S. C. - Member (1976-1980)
Lions Club of Columbia, SC (1977- Present)
Sardinia Presbyterian Church -Elder - (1960-Present_)
Sardinia Presbyterian Church - Treasurer (1950-Present)
Sardinia Presbyterian Church - Sunday School Teacher (1950-Present)
Sardinia Presbyterian Church - Past President of the Mens' Club (1965)
Harmony Presbytery, Presbyterian Church U.S. - Past Moderator(1971)
Calvary Presbytery, Presbyterian Church in America - Stated Clerk (1977 - Present)
Calvary Presbytery, Presbyterian Church in America - Past Moderator (1974)
Salem Schools Inc. New Zion S.C. Non-Profit Sec. Treas.

Government experience:

List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments other than those listed above.

Member of the President's National Tobacco Advisory Committee
State Tax Review Board(South Carolina)

Chairman of the First Economic Opportunity Committee of
Clarendon County, S.C.

Published writings:

List the titles, publishers and dates of books, articles, reports or other published materials you have written.

NONE

Political affiliations and activities:

List all memberships and offices held in or financial contributions and services rendered to all political parties or election committees during the last five years.

None by me. My Wife Ruth contributed the following:

1976- $100 to Strom Thurmond Campaign
1977- Same as above
1978- Same as above
1979- Same as above
1980- $100 to John Napier Campaign

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

YES

2. State whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

NO

3. Has a commitment been made to you for employment after you leave Federal service?

NO

4. Do you intend to serve the full term for which you have been appointed or until the next Presidential election, whichever is applicable?

YES

Potential conflicts of interest:

1. Describe any financial arrangements, deferred compensation agreements or other continuing financial, business or professional dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

NONE

2. List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

NONE

3. Describe any business relationship, dealing or financial transaction which you have had during the last five years whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

NONE

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any Federal legislation or of affecting the administration and execution of Federal law or policy.

NONE

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

N/A

P. O. Box 8
New Zion, SC 29111
November 10, 1981

Honorable Alan K. Simpson
Chairman, Committee on
  Veterans' Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I would like to supply the attached statement for the record and for my confirmation hearing.

I will be pleased to provide you, or other members of your committee, with any additional information you would desire.

Looking forward to a closer working relationship with you, I remain

Yours truly,

William C. Plowden, Jr.

W. C. PLOWDEN, INC.

This company was incorporated on or about 1950 and was a Ford franchised dealership. I was employed by it at the time and became President of it in 1960. On or about 1975 it ceased to operate as a dealership and passed its operation to a newly organized corporation known as Plowden Ford, Inc.. Since that date it has only owned property that is rented yearly. It has no other operations and I own 90% stock interest in this corporation. I have stated that I will resign as President upon confirmation. I have not received a salary or a dividend from this company since 1975.

PLOWDEN FORD

Plowden Ford, Inc. was organized and incorporated on or about 1975 and at that time I became President of the company and was General Manager receiving a salary until 1976 when I joined the U. S. Labor Department as State Director of Veterans Employment for South Carolina. My wife has since received a small salary for her services, off and on as she was physically able to work, but this was stopped in May of 1981. I own 100% of the stock in the company and have written a letter stating that I would resign as President upon confirmation. The company has a General Manager, Mr. Willie Jordan of Lake City, S.C.. I will not be participating any further in the managing of this company.

W. C. PLOWDEN, JR. INSURANCE AGENCY

This is not an incorporated business it is an individual proprietorship owned and operated since 1940. I have a Manager and do not receive a salary, as such, but it is included as a net profit item in my yearly income through commissions on sales with expenses deducted. Upon confirmation this agency will be merged with Plowden Ford and will become a part of that company.

PLOWDEN MOTORS, INC. - PAMPLICO, S.C.

This is a Ford franchised dealership organized in 1940 and at that time I became President. I own 51% of the stock and have received a small salary, off and on, during the year, first as General Manager and since 1976 as Advisor. Upon confirmation this salary will cease and I will resign as President and Advisor of the corporation.

PLOWDEN MOTOR CO. OF NEW ZION, S.C.

This company was a Ford franchised dealership until around 1974. At that time its' franchised and operating interest was sold out to a company known as Jordan Ford. The company retained ownership of the building and real estate in Lake City of which it still owns but the office of location was moved to New Zion, S.C.. It only has rental property and I have remained as President of this company since 1954. Upon confirmation I will resign as its President and I have not received income of any kind since 1974.

FARM

I own a farm consisting of approximately 350 acres of land located in the New Zion area; since 1975 I have been renting the largest portion of this. Upon confirmation this farm will be rented in its entirety and I will not participate in any way in the operation of the farm.

United States of America
**Office of
Government Ethics**

Office of Personnel Management
Washington, D.C. 20415

NOV 13 1981

Honorable Alan K. Simpson
Chairman, Committee on Veterans' Affairs
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by William C. Plowden, Jr., who has been nominated by President Reagan for the position of Assistant Secretary for Veterans' Employment in the Department of Labor.

We have reviewed the report and have also obtained advice from the Department concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. We have been informed that Mr. Plowden intends to resign from the positions listed in Schedule D of his financial disclosure report on or before his confirmation.

Based on the foregoing, we believe that Mr. Plowden is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Jackson Walter

J. Jackson Walter
Director

Enclosure

Chairman SIMPSON. With that, sir, I will now ask you to proceed. We welcome you to the hearing. We are looking forward to your participation in our Government.

TESTIMONY OF WILLIAM C. PLOWDEN, JR., NOMINEE FOR ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT

Mr. PLOWDEN. Thank you, Mr. Chairman.

Mr. Chairman and members of the committees, it is a profound honor to have been nominated by President Reagan as Assistant Secretary of Labor for Veterans' Employment. I am pleased to appear before this joint hearing of the Senate Veterans' Affairs Committee and the Committee on Labor and Human Resources in conjunction with this nomination.

I would like to say that I appreciate very much my friends', Senator Strom Thurmond and Congressman John Napier, introduction and their appearing on my behalf.

I would also like to add my personal words of commendation for the support given to the veterans by each of you and the other Members of the Congress. We veterans are grateful for this.

With me today are my wife, Ruth, who has been introduced, and my youngest daughter, Martha. I would like to say that my oldest daughter is married to a commander in the Navy. They were unable to attend due to duties. My son is a member of the Armed Forces and is in Germany at this time. He is a major in the Army. Their love and devotion has provided the foundation for my work.

The veteran occupies a special place of prominence in the hearts of Americans. We all know that without the sacrifice of these loyal men and women our American way of life would certainly cease to exist. It is because of that special place that the Congress established the position for which I am now being considered.

President Reagan, Secretary Donovan, and I all agree that we must never forget our veterans. I assure you that as Assistant Secretary of Labor for Veterans' Employment I will work tirelessly to carry out their directives and the mandates of the Congress in assisting veterans in the achievement of their career objectives.

Organizational plans for this new office are currently under review in the Department of Labor and should be finalized in the next few weeks. However, my responsibilities as Assistant Secretary for Veterans' Employment are very clear. I am to be the principal adviser to the Secretary of Labor with respect to the formulation and implementation of all departmental policies, programs, and procedures as they affect veterans.

I intend to fulfill my responsibilities by establishing direct and effective lines of communications with all concerned parties. I have been assured by Secretary Donovan and Under Secretary Lovell that their doors are open at all times to discuss issues of concern to the veteran.

I feel it is a profound challenge to provide leadership to the Department of Labor on veterans' matters. My background as a veteran of World War II and 23 years of military service, as a businessman, and most recently as the director of Veterans' Employment Service in South Carolina has prepared me to accept this challenge.

In addition to my internal responsibilities at the Labor Department, I intend to enhance our working relationship with the Veterans' Administration. I have met with Mr. Nimmo, the Veterans' Administrator, and I am pleased to report his enthusiastic support for a cooperative effort to meet our mutual responsibilities.

Along with this interagency activity, I also intend to promote employment opportunities for veterans in the private sector and make clear the true meaning of the slogan, "Your Best Bet—Hire a Vet."

In conclusion, let me say thank you to the President, my good friend Senator Strom Thurmond, and certainly the distinguished Members of Congress for the opportunity to again serve my country and her most valuable asset, those brave men and women who guard our freedom with their lives.

Mr. Chairman, I would be glad to answer any questions you may have.

Chairman SIMPSON. Thank you, Mr. Plowden. I appreciate your remarks. I have several questions. Then we will go on to questions from Senator Cranston. Other members of the committee may wish to present questions in writing.

Since 1976 you served as State director of the Veterans' Employment Service of South Carolina. With that experience and background, do you see the need for changes in the Veterans' Employment Service? What changes might you propose? Do you have any reorganizational plan for the functions under the Assistant Secretary for Veterans' Employment.

Mr. PLOWDEN. Mr. Chairman, certainly all organizations need a review once in a while. Certainly I will immediately review our organization and try to determine the places we need to correct, and I will certainly promote any new ideas and programs that are presented after consideration to be sure that the veterans receive full service in every way.

Chairman SIMPSON. This Committee on Veterans' Affairs provided in Public Law 96–466 that the disabled veterans outreach program, DVOP, be made a permanent program. Do you consider that program effective? How might you improve it?

Mr. PLOWDEN. Mr. Chairman, I feel that is a very vital program. It has been a very successful program. I think it is one of the best that we have in the Labor Department. It has been very successful in South Carolina. I wholeheartedly endorse the DVOP program and feel it can be improved. Certainly the new legislation you passed last year will mean an awful lot to the Veterans' Employment Service in delivering to the veterans better services.

Chairman SIMPSON. What is your opinion of the effectiveness of offices of the regional directors of veterans' employment? What are the Department's plans with regard to those?

Mr. PLOWDEN. Mr. Chairman, we will of course review all of our operations. I am wholeheartedly in support of the organization as it is today with possible changes after complete review. The regional directors certainly give us a line of communication to the field. They are important as far as the management of the programs is concerned.

Chairman SIMPSON. What are your views with regard to providing a different level of service for certain groups of veterans? For example, do you believe that some employment programs should focus on disabled or minority or Vietnam veterans? Please give me your ideas on those issues.

Mr. PLOWDEN. Yes, sir. The Veterans' Employment Service is really not an employment service. It is a monitoring service to see that the laws are followed and carried out.

Certainly through my leadership I intend to cooperate and work with all agencies, job fairs, committees, visitations, and associations. I plan to cooperate and work with the employment services on a national and local level.

Chairman SIMPSON. This job is a full-time undertaking. We are aware that you have had ongoing business ventures in South Carolina during your years as State director. How did you balance those two jobs? What will be your plan for insuring that, in essence, the decks are clear for your full-time participation in VES? What will be your involvement in any private business venture during your tenure here? Do you plan to live in the Metropolitan District of Columbia area, or would you be commuting? I guess I am inquiring what percentage of time do you intend to devote to VES?

Mr. PLOWDEN. Mr. Chairman, I have written a letter stating that I will resign from my positions in the different organizations that I belong to. I plan to spend 100 percent of my time with this job. I have already leased a house in Alexandria. I will move up next week. If confirmed, I will be on the job 100 percent of the time. I will not participate in any business ventures as I have in the past.

Chairman SIMPSON. I ask those rather personal questions because certainly in this business I find that even if I were cloned I would not get the job done. I am supposed to be at three separate hearings at this moment. I was at the one where Senator Thurmond was. He rose and said, "I must go to a hearing to introduce my friend." I said, "Do not leave without me. I am to introduce you."

It is a full-time effort. You are going to have to be deeply involved in it. There is no question as to that.

I have just a couple more questions within my 10-minute span. Then we will come back into segments of 10 minutes for those who have questions.

There has been a commentary with respect to your involvement with a certain school in South Carolina. Would you please indicate to me the reasons why that school was founded, what are the current philosophies of that school, and to what degree you are involved with its operations and policies?

Things have come into the discussion or the background information with regard to possibilities of racial bias based upon involvement with the school, which appeared at least to some to have been founded in response to a desegregation order. I would appreciate your sharing with us your feelings about this in order to clarify your position on this matter.

It is particularly important to me since you are going to be handling things that have to do with minority veterans and those who are eligible for and could benefit from the services that the VES has to offer. I would appreciate your response.

Mr. PLOWDEN. Mr. Chairman, prior to the year 1970, a group of concerned citizens in my community had asked if we could possibly organize a school for better education for our children. They approached me in May 1970, to join them in the organization of such a school for quality education. They were concerned.

Our schools had already been integrated. We had no problem there. Certainly the school was not organized to my knowledge for the purpose of avoiding integration. We organized the school in 1970. I served only as secretary-treasurer. I was heavily involved in business ventures. I did not have much time to spend with the school. I handled the collection of the tuition and the dispensing of the funds in payment of the teachers.

They had a headmaster. The headmaster had the full responsibility for the conduct of the school in every way. I only helped with the finance part of it as far as records were concerned. I served in this capacity from 1970 to 1976. When I took the job in Columbia, S.C., as State director, I resigned. Then in 1979, the person who took over from me, had to leave and resigned from that position. They asked me to come back and handle the funds, which I did on a part-time basis. I did it as a service to the community. All I did was sign the checks.

The school had an open-door policy. No one was turned down. It had the cheapest tuition rate of anywhere in the State. They only charged $400 per child to begin with. I believe it has risen to only $650 per child at the present time. The reason for that was it is in a farm area where the citizens could not afford a high priced tuition for their children.

They were vitally interested in quality education. It did not only have the children of that immediate community, but it took in quite an area surrounding it. We did have some minorities attend. They were not of the black minority, but no one applied. Of course, as we said, no one was turned down.

I have agreed to resign as secretary-treasurer of that organization upon confirmation and have nothing further to do with it.

Chairman SIMPSON. My time has expired.

Senator Cranston?

Senator CRANSTON. Thank you very much, Mr. Chairman.

Good morning. Mr. Plowden.

Mr. PLOWDEN. Good morning, sir.

Senator CRANSTON. Before I begin with some questions I have, I would like to thank you for your cooperation in responding to the prehearing questions I submitted to you last week.

Since some of my questions this morning will follow up on those questions, I ask unanimous consent, Mr. Chairman, that my written questions and Mr. Plowden's answers be printed in the record at this point.

Chairman SIMPSON. Without objection, so ordered.

[The response of William C. Plowden to the prehearing written questions submitted by Hon. Alan Cranston, ranking minority member of the Senate Committee on Veterans' Affairs, follows:]

RESPONSE OF WILLIAM C. PLOWDEN, JR. TO PREHEARING WRITTEN QUESTIONS SUBMITTED BY HON. ALAN CRANSTON, RANKING MINORITY MEMBER OF THE SENATE COMMITTEE ON VETERANS' AFFAIRS

1. The Assistant Secretary of Labor for Veterans' Employment (ASVE) is mandated by section 2002A of title 38, United States Code, to be the principal advisor to the Secretary of Labor with respect to the formulation and implementation of all departmental policies and procedures to carry out chapters 41, 42, and 43 of title 38, as well as other Labor Department employment and training programs as they affect veterans. This position was elevated from the deputy assistant secretary level by section 504 of Public Law 96-466, enacted on October 17, 1980. One of the purposes of elevating the position to the Assistant Secretary level was to ensure that this official would have the visibility and status needed to carry out the responsibilities mandated by law.

A. How do you intend to carry out the responsibilities of the ASVE to be within the Department the advocate for veterans' employment?

B. Do you see any role for the ASVE as an advocate for veterans' employment outside of the Department of Labor -- that is, do you believe there is a government-wide responsibility? A responsibility vis-a-vis the private sector?

C. (i) What discussions have you had with the Secretary of Labor regarding your having direct access to him?

(ii) Please provide for the record a written assurance from the Secretary that you will have direct access to him and an outline of the organizational arrangements that have been made to insure that access.

D. What will be your relationship with and responsibility to the Undersecretary of Labor?

E. What arrangements have been made to insure that you will be consulted by other Assistant Secretaries within the Department on issues within their respective areas of responsibility that may affect veterans?

Response: My responsibilities as ASVE are very clear. I am to be the principal advisor to the Secretary of Labor with respect to the formulation and implementation of all departmental policies, programs and procedures as they affect veterans. I intend to fulfill my responsibilities by establishing direct and effective lines of communications with all those we deal with. I feel strongly that communications are critical to my ability to carry out my job. I've been assured by Secretary Donovan and Under Secretary Lovell that any time we need to sit and discuss an issue that their doors are open. I've already accepted that invitation on several occasions and each time they've been available.

My relationship with the Under Secretary will be the same as that of the other Assistant Secretaries. He is the Secretary's next immediate management level and has personally assured me of his support and complete assistance. He has also assured me that if there is any matter which I feel must be discussed with the Secretary that I should never hesitate to do so.

Concerning arrangements to insure that I will be consulted by the other Assistant Secretaries within the Department on issues within their respective areas that may affect veterans, the Secretary's Order establishing the Office of the ASVE clearly spells out my responsibilities in this area. Administratively, a simple signoff procedure is in place and will include my signoff on affected matters.

With respect to my role as an advocate for veterans' employment outside of the Department, I do, in fact, see my role extending government-wide and into the private sector. Clearly, I will represent the Department in interagency activities and promote veterans employment programs. Additionally, the legislation is clear in its mandate that the Department promote veterans employment programs through an outreach and public information programs. Our efforts in both these areas will be given special attention.

2. What organizational framework and relationships have been developed for the Office of the Assistant Secretary for Veterans' Employment with respect to the Office of the Assistant Secretary for Employment and Training and the Office of the Assistant Secretary for Employment Standards?

Response: As the Committee is aware, both the Employment and Training Administration and the Employment Standards Administration will continue to have operational responsibility for services to veterans mandated by law. I will, therefore, seek to build a close working relationship between myself and their respective Assistant Secretaries. I anticipate that my office will be developing memoranda of understanding with both ETA and ESA which will delineate the structure of cooperation between our respective agencies. In regard to ESA, I intend to designate a member of my national office staff as a liaison to ESA. With respect to ETA, both the national office and our field offices will continue to work closely with ETA staff to assure that services to veterans through the State Employment Security Agencies and prime sponsors under the Comprehensive Employment and Training Act (or its successor) are improved.

2. B. What are the Department's plans for the organizational location of the Veterans' Employment Service, the Office of Veterans' Reemployment Rights, and the veterans-related responsibilities of the Office of Federal Contract Compliance Programs?

Response: We are studying the different organizational options available to us. It is our intent to adopt a structure that would insure coordinated efforts in Veterans matters.

2. C. Please provide an organizational outline of the DASVE Office as it now exists and of the ASVE office as it is planned to be established (including planned employee and consultant slots, appointment critieria, and designations and grade levels).

Response: The organizational outline of the present DASVE Office is attached. The structure for the ASVE has not been finalized but should be available to you in about 3 weeks.

2. D. What is the time table for implementing the organizational structure of the ASVE Office?

Response: I expect to begin my duties immediately upon confirmation and expect to have all organizational decisions reached within 30 days.

3. Will the physical location of the Office of the ASVE be different from that of the DASVE? If so, where will the new location be and when will the move be made?

Response: Both the ASVE and DASVE offices, will be located in the Frances Perkins Building at 3rd and Constitution Avenue, N. W. We expect to occupy that space on or about December 1.

4. A. What are the Department's plans with respect to staffing of your national office?

Response: We are still formulating our staffing plans. They should be available to you in about 3 weeks.

4. B. Does the Department plan to continue the position of a Deputy Assistant Secretary for Veterans' Employment?

Response: We expect to retain the position of the DASVE.

4. C. Will there continue to be a Director of the Veterans' Employment Service?

Response: The Director of the Veterans' Employment Service will remain.

5. A. With respect to staffing of the Veterans' Employment Service, will there be reductions in the number of staff you have at headquarters or in the field? If so, please state what the reductions will be and describe how they might affect your ability to carry out your responsibilities.

B. What are the Department's plans with respect to the ten Regional Director of Veterans' Employment positions?

C. As you are very well aware, the Department has in the past attempted to eliminate the 52 secretarial positions in the offices of the State Directors of Veterans' Employment (SDVE's).

(i) How do you feel about this?

(ii) Are there any plans to seek elimination of these positions in fiscal year 1982?

(iii) How about fiscal year 1983?

D. Please state what funds are planned to be available to your office for staffing, salaries, and expenses -- including travel -- and state whether you believe that those funds will be adequate.

Response: The issue of staffing for VES is critical to our overall operations. I have been assured that I will have full authority and responsibility for the total operation of the VES; this includes budget and staffing. The secretarial positions have been funded through legislation. We do not plan to seek elimination of the secretaries in fiscal years 1982 or 1983.

Our plans with respect to the ten Regional Directors are to insure that they play a critical role in the management of our field staff. I consider them vital to our entire management structure.

The details of my budget have not been worked out as of this date. I can state that I've been assured by Secretary Donovan that we will be treated fairly and equitably in identifying and transferring to my office all operational funds now supporting our programs.

6. Good coordination and cooperation between the Veterans' Administration and the Department of Labor on issues affecting veterans are very important.

A. What plans do you have to promote good, productive working relationships between the two agencies?

Response: Over the past several years, the VES and VA have substantially improved their working relationships and I intend to see that these improvements are continued. Our mutual employment responsibilities under Vocational Rehabilitation and on-the-job training, our joint outreach responsibilities, and, most recently, our cooperative efforts in outstationing Disabled Veterans Outreach Program (DVOP) staff in VA outreach centers are all areas in which we may continue to foster cooperative, productive initiatives to improve employment and training for our Nation's veterans. My office will also be meeting with the VA to initiate amendments to the interagency Agreement of Understanding and to develop new interagency initiatives.

6. B. Have you discussed these plans with the Administrator of Veterans' Affairs, Bob Nimmo?

Response: Yes. Mr. Nimmo and I met on Tuesday, November 10, 1981, to discuss areas of mutual concern.

6. C. Two areas of particular concern to me are the effective utilization of GI Bill on-job and apprenticeship training benefits pursuant to section 1787 of title 38, United States Code, and job placement assistance for veterans training under the VA's chapter 31 vocational rehabilitation program for service-connected disabled veterans. Do you have any plans for increasing the level of cooperation in these areas?

Response: I believe that cooperative efforts between the VA and the Department of Labor can go far in increasing the effectiveness of both the on-the-job training and Vocational Rehabilitation programs. The key to success in both programs is to develop greater access to the employer community. The development of an aggressive program of employer outreach, in cooperation with the State Employment Service, CETA prime sponsors, and private industry council could be of great assistance to the VA in increasing program placements.

6. D. Under section 612A of title 38, the VA conducts a readjustment counseling program through which Vietnam-era veterans may seek assistance at storefront counseling centers -- so-called Vets Centers. The number-one problem cited by veterans coming to those centers is employment. What thoughts do you have on ways in which the VA and the Department of Labor can work together to address the needs of these veterans?

Response: Of all the resources available, the Disabled Veterans Outreach Program is, to my mind, the best single way to assist the Vet Centers. As you know, the Committee was instrumental in the passage of P.L. 96-466 which made

DVOP a permanent program and which requires that at least 25 percent of all DVOP staff be outstationed. We are working now with the VA and the SESAs to assure that such outstationing takes place. Through DVOP, Vet Center clients in need of employment services can be offered job counseling, job development and placement opportunities, using the resources of local SESA offices. We intend to monitor this process carefully, both to assure that outstationing takes place, and to develop new innovative approaches to linking our programs together.

6. E. Public Law 97-72, the Veterans' Health Care, Training, and Small Business Loan Program Act of 1981, which was signed into law on November 3, 1981, will extend, effective January 1, 1982, the ten-year delimiting period for GI Bill benefits for up to two years if a Vietnam-era is in need of high-school, vocational objective, or on-the-job training. Because of the time-limited, one-shot nature of this extension, it is very important that veterans be made aware of this opportunity to use remaining GI Bill benefits. What plans do you have to assist in outreach efforts to eligible veterans?

Response: As mentioned above, I believe that the best way to increase the participation of veterans in the VA's on-the-job training program is to provide greater access to the employer community for the program. I am ready to sit down with Bob Nimmo to determine the best way to increase that access. Once the participation of employers is assured, we will then be able to use the resources of our delivery systems - both SESA and CETA - to reach out to those veterans in need of work.

7. Section 305 of the Comprehensive Employment and Training Act directs the Secretary, in consultation with the VA and the Department of Health and Human Services, to provide for an outreach and public information program to maximize employment opportunities for veterans.

A. How do you evaluate the adequacy of the Department's present public information and Outreach Program?

Response: The Veterans Outreach and Public Information (VOPIP) program has achieved some notable successes in the five-year history, with two major public information programs, development of the Veterans Outreach and Community Services (VOCS) program, and projects operated by organizations such as the Blinded Veterans Association, National Urban League, and American GI Forum. I think that we are now at a point where the direction of the program should be reevaluated. I intend to conduct a review of the program and establish its future direction within the next 90 days.

7. B. (i) What funding does the Department plan to make available for the purposes of this program in fiscal year 1982?

(ii) Do you consider that to be an adequate level of funding?

Response: The Department has provided us with a tentative budget of $1.3 million for Fiscal Year 1982. This level is adequate in the context of our present program direction.

7. C. Will you have complete control over the expenditure of funds for this program or will you need to seek approval of the Assistant Secretary for Employment and Training to expend funds for it?

Response: Once a given funding level has been established for the VOPIP, I will maintain control over the expenditure of funds for the program within budget constraints.

7. D. What role will you have in determining the future funding levels for carrying out this responsibility?

Response: I will be working closely with the Assistant Secretary for Employment and Training to identify the funding needs and budget levels for administration of the Veterans Outreach and Public Information Program.

8. A. What is your evaluation of the Disabled Veterans Outreach Program (DVOP) in terms of its effectiveness in meeting the needs of veterans?

Response: The Disabled Veterans Outreach Program (DVOP) is considered to be a highly effective program for helping disabled veterans find jobs and training opportunities. It is the most successful veteran employment program administered by the Department of Labor in many years. DVOP staff have helped in placing over 153,000 disabled veterans in jobs from its start in 1977, through the first three quarters of FY 1981. Another plus has been the development of employer contacts and working relationships with community and veterans' organizations which are so essential in veteran programs.

8. B. What level of funding do you support for the DVOP program in fiscal year 1982 and beyond?

Response: In the budget for FY 1982, approximately $43,000,000 was the level of funding required to support 2,016 DVOP positions to fulfill the staffing formula in the legislation. I will continue to support adequate funding for DVOP in the future.

9. Section 2014 of title 38 provides authority for veterans' readjustment appointments (VRA's) in the Federal Government under which Vietnam-era disabled and educationally disadvantaged veterans are eligible for non-competitive appointments in the civil service. The Department of Labor's record in terms of VRA hires is far from good; for example, during the period October 1978 through March 1979, Office of Personnel Management data show that out of 927 total new hires, only 3 were made under the VRA authority. What efforts will you make to urge the Department to maximize use of this authority so as to act as an example for other Federal agencies:

Response: I support the concept of Veterans' Readjustment Appointments (VRA's) throughout the Federal Government. It is too seldom used by the Department of Labor and, in fact, all of the Federal establishment. My office will seek to have VRA hiring increased within the Department of Labor and will recommend that other agencies also strengthen use of VRA authority.

10. The Department has indicated that the regulations to implement section 2012 of title 38, relating to affirmative action programs for Vietnam-era and certain service-connected disabled veterans "remain as an outstanding proposal" (Federal Register, Vol. 46., No. 164., Tuesday, August 25, 1981, p. 42969). What role will you have in the development of these proposed regulations prior to their publication?

Response: We have been assured by the Office of Federal Contract Compliance Programs that any input we wish to make concerning regulations implementing Section 2012 will be given every consideration. I plan to establish direct lines of communications with that office to help ensure that such cooperative and constructive efforts are maintained continuously and not only in special situations.

11. The Administration has announced that it plans to submit legislation early next year to replace the current CETA authority with a block-grant type approach to employment and training programs. What role will you have in the development of this proposal prior to its submission in terms of its impact on veterans' employment?

Response: My role as principal advisor to the Secretary of Labor concerning all veteran-related matters will permit me to provide input in the development of block-grant programs. I can assure you that my office will also fulfill its mandated role to provide veterans with the maximum of employment and training opportunities.

12. A. What is the current status of the Secretary's Committee on Veterans' Affairs?

B. Who is the chairman of that Committee?

C. What will be your relationship and responsibility to the Committee?

Response: The Secretary's Committee on Veterans' Affairs is in place. We have not had a formal meeting since the DASVE position became vacant. The Secretary chairs the Committee and I serve as the Vice-Chairperson and provide all required staff support. We will be scheduling a full committee meeting in the immediate future.

13. What role will you have with respect to the Agent Orange Working Group of the Cabinet Council on Human Resources in terms of the Department's participation in that Working Group?

Response: While the Agent Orange issue is a concern of all veterans, it is primarily a health and health care issue, and the Department has not had any representation on the Working Group to date. My office is always available, however, to offer any assistance the Working Group may request.

14. The ACTION Agency has recently initiatied a "Vietnam Veterans Leadership Program". The program is designed, it appears, to enhance employment and training opportunities for Vietnam veterans. According to the testimony of the Director of the ACTION Agency, Thomas Pauken, before the House Veterans' Affairs Committee's Subcommittee on Education, Training, and Employment on October 14, 1981, the program will attempt to convince employers to make more significant commitments to hiring Vietnam veterans.

A. Are you familiar with the details of the ACTION Agency's efforts in this area?

B. To what extent do you believe this initiative will parallel or supplement existing Labor Department programs, such as DVOP?

C. What assurances do you have that the ACTION Agency will coordinate its efforts in this area with the efforts of the Department and the VES so as to avoid overlapping and duplicative efforts and take advantage of the Department's expertise in this area?

Response: I have had the opportunity to review both the description of the program and its operations plan . I have not had the opportunity to date to meet with Tom Paulken. I anticipate we will be meeting within the next several weeks.

I do believe the Vietnam Veterans Leadership Program (VVLP) will assist veterans in seeking out employers with jobs, using the resources of Vietnam veterans occupying key positions in government, business and industry. To the extent that the program is successful in doing this, it will certainly supplement the efforts of the employment service, DVOP and CETA. I intend to instruct our field staff, in whose areas VVLP is being implemented, to play a key role in assisting the program to coordinate and cooperate with the Department's funded services, as well as to provide assistance to VVLP staff, in determining the needs of veterans in the local area.

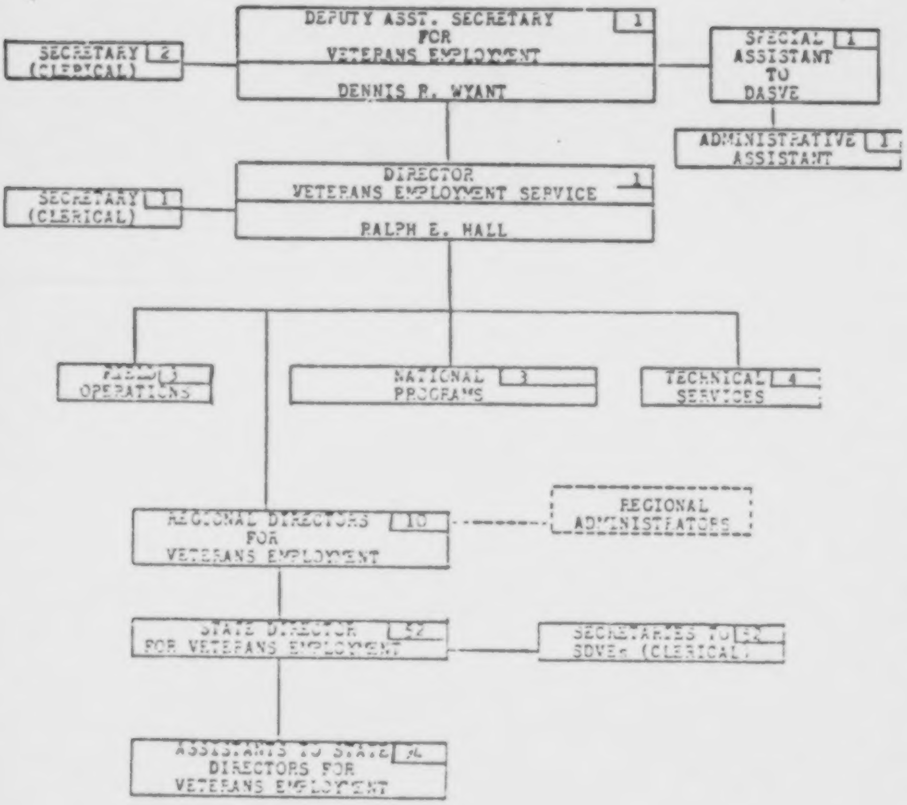
15. A. As a SDVE, what first-hand observations and experiences will you bring with you to the Office of the ASVE that you believe will improve the Department's efforts to meet the employment needs of veterans?

B. What ideas do you have in mind at this time for improvements in those efforts.

C. What emphasis will you place on efforts of the VES in terms of increased enforcement and monitoring of each State's activities under Wagner-Peyser, CETA, and otherwise with respect to promoting veterans' employment?

My experience in this field, I believe, gives me a sensitivity to the problems faced by the veteran on the street. My new position gives me the opportunity to translate that sensitivity into programs that can help the veterans, not just pay lip service to his needs. I intend to act with great vigor so that the veteran will know that we appreciate his service to his country and have not forgotten the sacrifice he made.

DEPUTY ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND VETERANS' EMPLOYMENT SERVICE


DEPUTY ASST. SECRETARY FOR VETERANS EMPLOYMENT
1
DENNIS R. WYANT
SECRETARY (CLERICAL)
2
SPECIAL ASSISTANT TO DASVE
1
ADMINISTRATIVE ASSISTANT
1
DIRECTOR VETERANS EMPLOYMENT SERVICE
1
RALPH E. HALL
SECRETARY (CLERICAL)
1
FIELD OPERATIONS
3
NATIONAL PROGRAMS
3
TECHNICAL SERVICES
4
REGIONAL DIRECTORS FOR VETERANS EMPLOYMENT
10
REGIONAL ADMINISTRATORS
STATE DIRECTOR FOR VETERANS EMPLOYMENT
52
SECRETARIES TO SDVEs (CLERICAL)
52
ASSISTANTS TO STATE DIRECTORS FOR VETERANS EMPLOYMENT

Senator CRANSTON. In my prehearing question 1C, I requested that you provide for the record a written assurance from the Secretary that you will have direct access to him. This assurance in writing has been provided in the past in connection with the confirmation of each of the two Deputy Assistant Secretaries for Veterans' Employment.

I realize that since the position to which you have been nominated is now at the Assistant Secretary level this may seem a somewhat unusual request. Nonetheless, in light of the access related difficulties that the DASVE encountered in the past, I believe it is an important and appropriate assurance.

Will you request the Secretary to provide us with a letter for the record?

Mr. PLOWDEN. Yes, sir, I will.

Senator CRANSTON. Thank you.

In response to my prehearing question 1E dealing with consultation with the other Assistant Secretaries, you cited the Secretary's order establishing the Office of the Assistant Secretary. Would you please give us a copy of that order for the record?

Mr. PLOWDEN. I will, sir.

Senator CRANSTON. Thank you.

[Subsequently, Mr. Plowden supplied the following information:]

U.S. DEPARTMENT OF LABOR
SECRETARY OF LABOR
WASHINGTON, D.C

December 15, 1981

SECRETARY'S ORDER 5-81

Subject: Establishment of the Office of the Assistant Secretary of Labor for Veterans' Employment

1. Purpose. To implement the provisions of Section 504 of the Veterans' Rehabilitation and Education Amendments of 1980 (PL 96-466) by establishing an Office of the Assistant Secretary of Labor for Veterans' Employment.

2. Establishment of the Office of the Assistant Secretary of Labor for Veterans' Employment/Resources

a. There is hereby established in the Department of Labor an Office of the Assistant Secretary of Labor for Veterans' Employment (OASVE) to be headed by an Assistant Secretary who will report to and be directly responsible to the Secretary and Under Secretary.

b. Functions and resources of the immediate Office of the DASVE and the VES, including its field personnel are transferred from the Assistant Secretary of Labor for Employment and Training to the Assistant Secretary of Labor for Veterans' Employment.

This transfer includes personnel, funds, equipment, supplies, and associated records.

The Assistant Secretary for Administration and Management will complete arrangements to effect an orderly and equitable transfer of resources, including assurance of consultation and negotiations as appropriate with the unions representing affected employees.

3. Authority. This Order is issued pursuant to the Act of March 4, 1913, (37 Stat. 736), Reorganization Plan No. 6 of 1950, and the Veterans' Rehabilitation and Education Amendments of 1980 (Public Law 96-466).

4. Effective Date. This Order is effective immediately for planning and reporting purposes, and for implementation no later than sixty days from the date of this Order.

Raymond J. Donovan

Raymond J. Donovan

DISTRIBUTION: SO-1

Senator **Cranston**. With respect to the simple signoff procedure that you indicated was in place in answer 1E to insure your involvement in all matters that may affect veterans, who decides whether your signoff is needed on an issue? Is it the originator?

Mr. **Plowden**. The originator.

Senator **Cranston**. If that is the case, what is to prevent the originating office, for example, the Office of Federal Contract Compliance Programs, from taking some action that affects veterans' employment and not including you in the signoff process when plainly you should be involved?

Mr. **Plowden**. Senator Cranston, we are going to have a meeting tomorrow at 11:15, I believe, with Under Secretary Lovell and Mr. Angrisani and the other agencies to discuss the organization and the relationships that there will be. After that meeting, I will be able to give you a written report.

Senator **Cranston**. I think you have to establish parameters to indicate where you will be involved and where you cannot be excluded by some other person when you should be included. If you could give us what would cover that in writing, I would appreciate it.

Mr. **Plowden**. Yes, sir.

Senator **Cranston**. When do you anticipate that the memorandum of understanding that you referred to in response to question 2A will be developed to delineate the structure of cooperation between your office and the ETA and the ESA office?

Mr. **Plowden**. I believe that can be furnished immediately after this meeting.

Senator **Cranston**. Good. When that is done, will you give us a copy of the document?

Mr. **Plowden**. Yes.

Senator **Cranston**. Would you please also advise the committee as to which member of your national office staff you designate as a liaison to the Employment Standards Administration?

Mr. **Plowden**. I will give you that, sir.

Senator **Cranston**. You indicated that the structure for the Assistant Secretary's office will be finalized in about 3 weeks. At that time, I would like to also request that you please advise the committee of the organizational outline of your office as requested in my question 2C.

Mr. **Plowden**. Yes, sir, I will.

Senator **Cranston**. When do you expect the staffing reductions and budget for the Assistant Secretary's office to be finalized?

Mr. **Plowden**. We are under a continuing resolution now as I understand it. As soon as the budget is passed, I am sure it will be finalized immediately.

Senator **Cranston**. When it is finalized, will you please advise the committee on the staffing, salaries, and expense plans for the national office?

Mr. **Plowden**. I sure will, sir.

Senator **Cranston**. In question 5A I asked you whether there will be reductions in your headquarters or in the field staff. Your response does not give me a precise answer to that question. Do you know now and can you tell us whether there will be any reduction?

Mr. **Plowden**. I cannot tell you at this time until I find out just what I will be authorized and what the budget will allow us.

Senator CRANSTON. Let us know when you know.

Mr. PLOWDEN. We sure will.

Senator CRANSTON. In response to question 6A, you indicated that your office will be meeting with the VA to initiate amendments to the interagency agreement of understanding as well as to develop new interagency initiatives. At what level will those meetings occur?

Mr. PLOWDEN. At the top level with Mr. Nimmo.

Senator CRANSTON. Who will be your principal contact at the VA?

Mr. PLOWDEN. As far as I know now, sir, it will be Mr. Nimmo. I have no other.

Senator CRANSTON. Do you expect to meet with him on a regular basis?

Mr. PLOWDEN. Yes, sir, I do.

Senator CRANSTON. Good.

Can you tell us what amendments or new initiatives you have in mind for your work?

Mr. PLOWDEN. I beg your pardon, sir?

Senator CRANSTON. What amendments to the interagency agreement do you have in mind?

Mr. PLOWDEN. I do not have any at this moment because I have not studied it thoroughly enough.

Senator CRANSTON. When you develop some, will you let us know?

Mr. PLOWDEN. I will, sir.

Senator CRANSTON. In question 6C I asked whether you have plans for increasing the level of cooperation between the Department and the VA regarding utilization of GI bill benefits for apprenticeships and other on-the-job training and job placement assistance for veterans participating in VA vocational rehab programs for service-connected disabled veterans. Your answer does not indicate any specific plans in this regard. Do you have any yet?

Mr. PLOWDEN, No, sir. I realize the key to success for both of the programs is to develop greater access to the employer community. Certainly I plan to develop that.

Senator CRANSTON. Keep us advised on that.

Mr. PLOWDEN. Yes, sir, I will.

Senator CRANSTON. In response to question 6E, you stated that you were ready to sit down with Mr. Nimmo to determine the best way to increase access to the employer community for the VA's on-the-job training program. Have you requested a meeting yet?

Mr. PLOWDEN. No, sir, I have not. However, he assured me his door was open and, whenever I was ready and prepared, he would be happy to see me.

Senator CRANSTON. In response to question 1B, you stated that you felt you had Government-wide responsibilities to be an advocate for veterans' employment. In view of that, I presume you do intend to request such a meeting with Mr. Nimmo as soon as you are ready for it.

Mr. PLOWDEN. Yes, sir, I do.

Senator CRANSTON. All State, assistant State, and local directors of veterans' employment should be advised of the GI bill targeted delimiting date extension, which was enacted in Public Law 97-72 and which takes effect January 1, just a little over a month away, so that eligible veterans seeking assistance at employment service offices can be made aware of this new opportunity. Do you agree that that needs to be done, and will you take steps?

Mr. Plowden. Yes, sir.

Senator Cranston. Have each of the individual projects involved in the veterans' outreach and community services program received their fiscal year 1982 funding allocations?

Mr. Plowden. Not to my knowledge. I believe it is still under consideration.

Senator Cranston. Would you advise us for the record what the status of that is now for each one?

Mr. Plowden. Yes, sir, I will.

Senator Cranston. After you complete the reevaluation in 90 days, which you said would be undertaken of the direction of the outreach and public information program, will you please share the results with the committee?

Mr. Plowden. I will.

Senator Cranston. Are there parts of the existing outreach and public information program that you believe should be abandoned?

Mr. Plowden. No, sir.

Senator Cranston. You would keep the whole thing going?

Mr. Plowden. Yes, sir, I would keep the whole thing.

Senator Cranston. You indicated that the tentative budget for the outreach program for fiscal 1982 is $1.3 million. You indicated that that would be, in your words, "adequate in the context of the present program direction." When will the budget for that program be finalized?

Mr. Plowden. As soon as the Congress gives us a budget.

Senator Cranston. What was the level of funding in 1981?

Mr. Plowden. I am not familiar with that exactly. I will have to give you that.

Senator Cranston. If you do not know that, then on what do you base your conclusion that the funding will be adequate?

Mr. Plowden. I felt it was adequate during the past year. Not knowing the exact figure, it was funded only on a short-term basis, I believe. It was reduced. The numbers were reduced.

Senator Cranston. Do you know, for example, that it was not twice as much last year?

Mr. Plowden. I beg your pardon?

Senator Cranston. Do you know, for example, that it was not $2.6 million last year?

Mr. Plowden. I do not, no, sir. I think it was, but I do not know.

Senator Cranston. It is really hard to know if it is adequate or inadequate until we know what we spent last year and how well that was working.

Mr. Plowden. Yes, sir.

Senator Cranston. You further stated that you will be working closely with the Assistant Secretary for ETA to identify the funding needs and budget levels for the administration of the veterans' outreach and public information program. That seems to imply that the Assistant Secretary for ETA will be the primary decisionmaker in determining that budget. Is that correct?

Mr. Plowden As I stated, we are going to meet tomorrow. I have been meeting with him already. He is perfectly willing to go along with transferring that responsibility.

Senator CRANSTON. With respect to the DVOP program, how many DVOP slots are not vacant and how many are outstationed?

Mr. PLOWDEN. I am not sure nationally how many are not filled. Certainly that will be reviewed immediately. They will be filled.

Senator CRANSTON. Will you check that and let us know how many are vacant and how many are outstationed?

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. Based on your experience as State director for veterans' employment for South Carolina, what is your personal evaluation of the effectiveness of the targeted jobs tax credit as a means of promoting veterans' employment? What efforts do you plan to make to encourage greater use of that program?

Mr. PLOWDEN. It has been very successful in South Carolina. I am fairly familiar with it in South Carolina. I feel it is a very good program. I would like to see it continue to the fullest. I will pursue it, yes.

Senator CRANSTON. If you could give us more detail for the record, we would appreciate that.

Mr. PLOWDEN. I will, sir.

Senator CRANSTON. Do you believe that active efforts to link the DVOP program with the targeted jobs tax credit could enhance the veterans' attractiveness to potential employers? If so, how would you provide for that kind of a linkage?

Mr. PLOWDEN. I did not get the last sentence of that.

Senator CRANSTON. Do you believe that active efforts to link the DVOP program with the targeted jobs tax credit program could enhance the program's attractiveness to employers? If so, how could you go about creating such a linkage?

Mr. PLOWDEN. Through the outreach part of the DVOP program.

Senator CRANSTON. Do you think that is worth attempting?

Mr. PLOWDEN. Yes.

Senator CRANSTON. My 10 minutes are up. I do have some more questions for later. Thank you.

Chairman SIMPSON. Thank you. I appreciate that.

Do you have any special plans for target groups of veterans such as women or Hispanics or blacks? Do you see any unique problems in formulating employment programs for urban versus rural veterans or minority group veterans where there may be a language barrier?

I think I would be appreciative of your views on special needs of those veterans and how you might meet those.

Mr. PLOWDEN. Mr. Chairman, as I stated before, we are a monitoring service, but we certainly plan to cooperate with all agencies in providing service to these people. I feel that we can develop many programs of this nature through my relationship with the Employment Service through their organization, the Interstate Conference on Employment Security Administration, and we certainly will pursue this.

We will also work with the veterans' organizations. We will have a complete line of communication with them. I am committed totally to the veteran in every way that I can possibly pursue the services to them.

Chairman SIMPSON. Do you believe that in hiring a field staff as well as a central office staff it is more important to employ persons with knowledge of and experience in working with employment programs or perhaps a local person who might have a close association with veterans' organizations? Do you have a philosophy about that?

Mr. PLOWDEN. I believe in people with experience. I certainly want people with experience. I depend on people with experience. At the same time, I am open to anyone with many talents who can fill positions for which they are qualified. I would consider all.

Chairman SIMPSON. During your tenure there as assistant, would you be promoting persons from within or have a tendency to hire from outside? I know in your own State your assistant State director has apparently done an excellent job. Is he to be made State director?

Mr. PLOWDEN. I would consider all, Mr. Chairman. I would not close my eyes to anyone within or without. I am devoted to the veteran and service to the veteran. I want the very best.

Chairman SIMPSON. What is your opinion for the 2-year residency requirement for assistant and State directors? We find that because of that requirement an employee who might have been a victim of reduction in force could not apply for a transfer to another State, and in that way qualified workers cannot be transferred within the system as with other such workers in other such agencies.

Mr. PLOWDEN. I endorse that requirement, Mr. Chairman. I feel it is a necessary item because he needs to know the needs of the veterans of the local area. He is certainly better qualified to know them that way. Every State is not the same. Every area is not the same. I feel that is very necessary.

Chairman SIMPSON. It is important to you that that be preserved?

Mr. PLOWDEN. Yes, sir.

Chairman SIMPSON. As you well know, 90 percent of the VES hires have been severely disabled Vietnam veterans. Because they have been on board the shortest period of time, they are most vulnerable to staff cutbacks. Do you plan to implement any safeguards to insure the retention of those employees?

Mr. PLOWDEN. I am very interested in retaining their employment because they are already trained. They are interested in the disabled veterans of this country. I feel that they are better qualified to deal with their fellow man. I am very much in favor of a program that will retain these experienced and devoted people.

Chairman SIMPSON. I presume that you have had discussions with the Secretary of Labor. I believe you indicated that. What arrangements have you made for your direct access to the Secretary in connection with your work?

Mr. PLOWDEN. I have met with the Secretary and the Under Secretary. They have both assured me that the doors are open. They will be ready for me to come in and discuss at any time any veteran problem. I feel very comfortable with Under Secretary Lovell as well as Secretary Donovan. I do not believe I will have any difficulties at all.

Chairman SIMPSON. How about your relationship relative to veterans' matters with the Assistant Secretary for Employment and Training and Assistant Secretary for Employment Standards?

Mr. PLOWDEN. I feel that I will have the same relationship with them. I have not met with Mr. Dotson, but I have with Mr. Agrisani. He is very cordial and is very anxious to work with me and is very anxious to assist me in setting up this new office.

Chairman SIMPSON. We are aware that some of the veterans' organizations have strongly objected to the fact that some 21 legislatively mandated positions within the Veterans' Employment Service have not been filled. What is your opinion regarding those legislatively mandated positions and how do you plan to respond to those concerns?

Mr. PLOWDEN. Mr. Chairman, I want to express at this point my interest in veterans' organizations. I am going to work very closely with them. I intend to keep them advised of everything. I feel that they are my strong arm in accomplishing the mission of this office.

I will work immediately on these positions as soon as I have time to become established. I will get right on with this as one of the first priorities because I feel we need all of the positions filled to do our job in the proper manner. I assure you that this will be looked into immediately.

Chairman SIMPSON. You have a long experience with veterans' organizations. What is your own membership, sir, in the veterans' organizations? Would you share that for the record?

Mr. PLOWDEN. I have had a long history with the American Legion. I am a member of the National Americanism Commission of the America Legion. I am a member of the National Education Committee of the American Legion. I am a past department commander of the American Legion. I am presently a post commander of the American Legion.

I have loved the work of all of the veterans' organizations. I am a member of the VFW, the DAV, and many of the other organizations, AMVETS as well. I believe that they should be kept fully informed of the services available by the Department of Labor. I will request their input for ways to improve and increase the needed services to veterans. I will listen to them. I plan to meet with them often. I am going to set up a regular schedule so I can listen to their ideas and suggestions.

Chairman SIMPSON. I think that will be very helpful.

Do you feel assured that you are going to have sufficient staff for your position? Specifically, I refer to a Deputy Assistant Secretary for Veterans' Employment, an adequate secretarial staff, and special assistants. Do you feel you will have adequate staff and personnel?

Mr. PLOWDEN. At this stage I do. I was asked to submit a request, which I have done, for certain staff positions. This will be discussed with Under Secretary Lovell and other members of the Labor Department tomorrow at our meeting. I feel that they are in sympathy with this office. I feel that they will provide what I request.

Chairman SIMPSON. Because of the fact that I have about 5 minutes left on this rollcall vote, I am going to call a brief recess. When Senator Cranston returns, he will begin the hearing again and proceed with questions. I will return as soon as possible. I regret that, but that is sometimes the way it works.

[Hearing resumed.]

Senator CRANSTON [presiding]. The hearing will resume.

With respect to your responses that you will take steps to improve the Department's record of making veterans' readjustment appointments and to encourage other agencies to make greater use of VRA's, I would like to ask that you advise the Committee in the future of the specific actions you take.

Mr. PLOWDEN. I will, sir.

Senator CRANSTON. In response to question 10 regarding the regulations to implement section 2012 of title 38 regarding employment of Vietnam era and disabled veterans by Federal contractors, you indicate that you have been assured that any input you wish to make will be given every consideration.

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. Does this mean that you will have an opportunity for input prior to the time that the regulations are published for comment, or does it mean that once the regulations are published, your comments, like those of the general public, will be considered?

Mr. PLOWDEN. I plan to establish direct lines of communication as quickly as possible. It is possible I could have some input before that.

Senator CRANSTON. You would expect to have input before?

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. On October 26, I wrote to the Department of Labor, expressing my concern regarding revised regulations that have been published for comment with respect to the enforcement of Executive Order 11246 and the impact of those proposed revisions on implementation of section 2012. In order for you to be aware of my concerns, we will provide you with a copy of that letter. I ask that it be printed in the record at this point, and, without objection, it is so ordered.

[The October 26, 1981 letter referred to follows:]

ALAN CRANSTON
CALIFORNIA

United States Senate
WASHINGTON, D.C. 20510

October 26, 1981

Honorable Raymond J. Donovan
Secretary of Labor
200 Constitution Avenue
Washington, D.C. 20210

Dear Ray,

I am writing to express my views on the proposed equal employment opportunity (EEO) regulations which were published in the Federal Register on August 25. I strongly oppose the proposed changes in the regulations governing enforcement of Executive Order 11246 and have grave concerns about the impact of these proposals on enforcement of section 503 of the Rehabilitation Act of 1973 and section 2012 of title 38, United States Code (mistakenly referred to as section 402 of the Veterans' Readjustment Assistance Act of 1974, see footnote 3 in the enclosure).

I firmly believe that it is necessary and appropriate for the federal government to continue to follow through on the policy underlying these three authorities -- that contractors seeking to do business with the federal government ought to commit themselves to adherence to EEO policies. The federal government, both as an employer itself and as a source of contracts with the private sector, has a responsibility to provide leadership and guidance in the establishment of meaningful and effective EEO practices. The Executive Order and the two statutory provisions exemplify our national commitment to the goal of providing equal opportunities for all our citizens.

Vigorous enforcement of these provisions, along with other civil rights laws, is particularly critical during times of economic stress and federal program cutbacks such as our Nation faces today. History has shown that as the economy worsens, employment opportunities for groups of individuals who have in the past suffered from discriminatory practices are often the first to be foreclosed. Thus, now more than ever, it is essential for there to be vigorous enforcement of these EEO programs with a view to assuring that federal monies are allocated in a manner that promotes the participation of all segments of the workforce in federally-funded projects.

Unfortunately, in the view of many individuals and organizations concerned with civil rights, the proposed regulations, taken as a whole, signify a major retreat from the effort over several decades to promote EEO practices in federally-funded projects.

Enclosed is a document setting forth my views on several specific proposed changes which I and many others view as representing a major shift away from vigorous enforcement. These items are illustrative of the basic thrust of the proposed regulations to exempt many major federal contractors from existing EEO requirements and limit enforcement actions.

There is no question that federal contractors have at times had to contend with unrealistic, sometimes conflicting bureaucratic demands regarding EEO programs. I have long advocated simplification of these program requirements and elimination of conflicting requirements between various-federal agencies charged with enforcement of EEO laws. At times, overzealous enforcement -- such as fractional employee requirements -- has created situations where affirmative action and EEO efforts have been justly ridiculed. Certain aspects of the proposed new regulations, for example, clarification that a new affirmative action program is not required on an annual basis, are quite appropriate and should serve to lift some unnecessary regulation and paperwork burdens from federal contractors.

However, the overall impact of the proposed regulations is not simply to reduce unnecessary paperwork; rather, it is to curtail significantly the ability of the federal government to monitor and to assess compliance of federal contractors with EEO requirements. I know of no evidence to suggest that, especially during such strained economic times, effective enforcement of the provisions in question and of our other basic civil rights laws can be left to voluntarism. Measurable standards and workable assessment methods are necessary to evaluate the good faith of contractors and to determine and promote progress towards attainment of our national EEO objectives.

I am also deeply concerned about the Department of Labor's proceeding with publication of these regulations without the concurrence of EEOC. According to the notice published on August 25, EEOC has specifically refused to approve the proposed regulations. It is inappropriate, in my opinion, to proceed any further with these proposed regulations until the conflicts between EEOC and your Department have been resolved and publicly explained.

I urge that in the process of reaching a consensus between EEOC and the Department a major focus be the simplification and reduction of paperwork requirements rather than the diminishment of the EEO responsibilities of federal contractors. In my view, until such time as the two agencies have reached agreement and the public has been advised of the basis for and details of that agreement, no further action should be taken on the regulations.

Finally, I noted reports in the press last week of your continuing support for realistic goals and timetables as a means of enforcing federal equal employment opportunity laws, despite some apparent disagreement by some individuals within the Department of Justice. I congratulate you for your stand on this important issue.

With warm regards,

Cordially,

Alan Cranston

Enclosure

cc: James W. Cisco
Acting Director
Division of Program Policy
Office of Federal Contract Compliance Programs
Department of Labor
Washington, D.C. 20210

Honorable J. Clay Smith
Acting Chairman
Equal Employment Opportunity Commission
2401 E Street, N.W.
Washington, D.C. 20506

Views of Senator Alan Cranston

on

Specific Examples in the August 25 Proposed Regulations Which Limit Effective Enforcement of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 2012 of Title 38, United States Code.

Proposed Section 60-1.40. Raising the threshold for written affirmative action program to employers with 250 or more employees and a federal contract of $1 million or more.

The current regulations governing enforcement of Executive Order 11246 require a written affirmative action program for contractors with 50 or more employees and a federal contract of $50,000 or more. Under the proposed regulations, the threshold for a written affirmative action program would be raised to 250 or more employees and a contract of $1 million or more. Under this proposal, the number of companies required to prepare written affirmative action programs would drop from approximately 17,000 to approximately 4,000. This would represent a massive reduction in the number of companies covered by this provision.

The requirement for a written affirmative action program is a critical part of any meaningful compliance program. Without such a document, there is no objective data base for an effective EEO compliance review. Moreover, the requirement of a written affirmative action program provides employers with an opportunity for self-analysis and EEO planning; in the absence of a requirement for the development of a written program it is unlikely that many, if any, of the exempted employers will engage in this self-analysis and planning.

With respect to section 503 of the Rehabilitation Act of 1973 and section 2012 of title 38, United States Code,* the December 1980 proposal and the regulations proposed on August 25 would establish the same thresholds for affirmative action programs as proposed for the Executive Order. That seems the appropriate result, whatever thresholds are established.

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*The proposed regulations refer to section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 as the citation for the statutory provision requiring federal contractors to take affirmative action with respect to the employment of Vietnam-era and certain service-connected disabled veterans. This is not an accurate citation. The only correct citation for this statutory program is section 2012 of title 38, United States Code, which was first enacted in 1972 in the Vietnam Era Veterans' Readjustment Assistance Act of 1972, Public Law 92-520. Since then, the text of section 2012 has been partially amended three times (by section 402 of Public Law 93-508, which changed "special emphasis" to "affirmative action", and by section 6 and sections 509 and 801(j) of Public Laws 95-520 nd 96-466, respectively, which made certain conforming and administrative changes). The only correct text of the statutory provision is in section 2012, which itself is affirmative law codified by the Congress in title 38 of the United States Code. In a January 22, 1979, letter to me from then Assistant Secretary Donald E. Elisburg, it was agreed by the Department that in documents for "external purposes", the Department henceforth would use the correct citation.

Proposed elimination of present section 60-1.20(d). Elimination of pre-award compliance reviews.

The current regulations governing enforcement of Executive Order 11246 require a pre-award compliance review for contracts in excess of $1 million. The proposed regulations would eliminate entirely this pre-award review process and thereby deprive the federal government of the ability to negotiate effectively with contractors at the most critical stage in the contracting process -- before the contract is awarded. Elimination of this provision will substantially limit the ability of OFCCP to enforce the Executive Order.

With respect to section 503 and section 2012, the December 1980 proposal would have applied the pre-award compliance review process to these programs, as well as those under the Executive Order. The rationale for compliance reviews prior to the award of a contract is equally applicable to these programs.

Proposed section 60-2.3(c). Establishment of five-year exemptions from routine reviews.

The proposed regulations include a new section which would provide for the approval of affirmative action programs for certain contractors for a five-year period and for exempting such contractors from routine on-site compliance reviews during this five-year period. Under the proposal, contractors that have been determined to have satisfactory affirmative action programs following an on-site compliance review would be eligible for this five-year exemption.

Although some type of procedure for exemption from routine review following a satisfactory on-site review may be appropriate, a five-year period for program approval and exemption seems excessive in light of the numerous changes that could affect the size and composition of a workforce during such an extended period. A two-year period, however, would not seem unreasonable.

Comments were requested in the August 25 publication on what standards OFCCP should use in approving and withdrawing approval of multi-year affirmative action programs and what accountings contractors should be required to make to OFCCP during the period of exemption. It would be desirable, at a minimum,for the exemption to be automatically withdrawn if any complaint against the contractor is found to have merit by OFCCP or EEOC or any state or local agency charged with EEO responsibilities. An annual updating of the program, including applicable goals and timetables, should also be required. With respect to the question posed in the August 25 publication as to what should be the standards of compliance for section 503 and section 2012, the contractor should have to meet all of the requirements of these two authorities as well as of the Executive Order in order to obtain any multi-year exemption. The exemption would then be an exemption for purposes of all three EEO programs. In the case of a multi-year affirmative action program, it would seem very unwise to provide an exemption from compliance reviews for one authority and not the other two. If all three authorities are not treated similarly, OFCCP would be in the position of having the responsibility -- although in practical effect, being very unlikely to exercise it -- to make compliance reviews, including on-site reviews, for sections 503 and 2012, but not the Executive Order, during the multi-year period. At the same time, there is no valid justification for providing any type of automatic exemption from compliance reviews relating to sections 503 and 2012 simply because a contractor has qualified for a multi-year exemption under the Executive Order. In short, consideration of any type of multi-year exemption should be based upon qualification under and full compliance with the requirements of all three authorities.

Proposed section 60-2.11. Underutilization tolerance levels.

The proposed regulations include a new section providing that, in the absence of compelling circumstances, a contractor would be presumed under the Executive Order to have reasonably utilized minorities or women when the employment of either in a job group is at least 80 percent of their availability. Under current regulations, a contractor is required to file a declaration of underutilization, thus triggering the requirement of goals and timetables, whenever the current utilization of minorities or women is less than 100 percent of availability.

Again, although the establishment of some tolerance levels might be appropriate, a 20-percent tolerance range is excessive. A number of courts have found underutilization of this magnitude to be prima facie evidence of employment discrimination under title VII of the Civil Rights Act. It would thus be inappropriate for the federal government to sanction across the board such a level for purposes of compliance with the Executive Order.

Senator CRANSTON. At this time, do you have any preliminary ideas as to the recommendations you would make in the area of improvements in the section 2012 program of affirmative action for the hiring of these veterans by Federal contractors?

Mr. PLOWDEN. No, sir, I do not at this time, but I will.

Senator CRANSTON. I hope you will consider that and develop your thoughts on that.

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. How often do you anticipate the Secretary's Committee on Veterans' Affairs will be meeting?

Mr. PLOWDEN. Every quarter, as it was setup. I will pay attention to that immediately, too.

Senator CRANSTON. Please keep us advised of scheduled meetings.

Mr. PLOWDEN. I will, yes, sir.

Senator CRANSTON. You indicated that the Department has not had any representation on the interagency agent orange working group. I believe your answer is indicative of the lack of communication in the Department between those involved in veterans' issues.

The fact is that the Labor Department was already represented on the predecessor working group and was reappointed by the White House to the expanded group on July 17, 1981.

The September 1981 list of designated representatives shows that Lloyd Aubrey, special assistant to the Secretary of Labor, is the lead representative for the Department. In addition, serving on the Department's team are Dr. David Logan, research and medical officer, Occupational Safety and Health Administration, and Donald Kagle, industrial hygienist.

I hope at your earliest opportunity you will be in touch with Mr. Aubrey and discuss your relationship with that working group.

Mr. PLOWDEN. I will, sir.

Senator CRANSTON. In response to question 15, you did not indicate in connection with part C what emphasis you will place on increased enforcement and monitoring activities by the Veterans' Employment Service. Can you respond to that question now and give us more for the record?

Mr. PLOWDEN. Yes, sir. I plan to work very closely with the Employment Service, with their organization, the Interstate Conference on Employment Security Administrators, and I expect to have a very good working relationship through this organization with the administrators and down to the local offices.

Senator CRANSTON. Last month, for the first time in many months, the rates of unemployment for all age categories of Vietnam-era veterans exceeded the rates of unemployment for comparable categories of nonveterans. In one category, those between the ages of 25 and 29, the rate for Vietnam-era veterans was almost 50 percent higher than the rate for nonveterans. What plans do you have for immediate action to address the needs of those veterans?

Mr. PLOWDEN. Senator Cranston, I feel that the Vietnam-era veteran has a special problem. They need special attention and special services. I am committed to them. Since I have been on this job with the Veterans' Employment Service, I have found that they really need a lot of help. I plan to search for ways in which these needs can be met.

The fact that we are not an employment service but a monitoring service will not stop me as far as trying to develop ways in which these men can be served better. I am devoted to them. I certainly will listen to the suggestions and ideas that will come from the veterans' organizations concerning this problem.

Senator CRANSTON. It is certainly a great responsibility.

Mr. PLOWDEN. It is a tremendous responsibility.

Senator CRANSTON. Much of the measure of your success in your work will depend on how well you handle that problem.

Mr. PLOWDEN. I agree with that, Senator.

Senator CRANSTON. Do you believe that you have a commitment to equal opportunity for all Americans regardless of race or creed?

Mr. PLOWDEN. I do, sir.

Senator CRANSTON. Could you give us some examples of what you have done in your life to demonstrate that commitment?

Mr. PLOWDEN. Yes, sir. I operated the first Head Start school in my county under the equal opportunity program. I operated it at——

Senator CRANSTON. What do you mean by you operated it?

Mr. PLOWDEN. I volunteered my services and became chairman of that committee which operated the Head Start program. I am in charge of the American Legion program of boys state and baseball. I was the one that integrated those programs in South Carolina.

Senator CRANSTON. When was that?

Mr. PLOWDEN. We integrated it, I would say, around 1968.

Senator CRANSTON. Was the Head Start program integrated?

Mr. PLOWDEN. Yes, sir. It was 95 percent in my county.

Senator CRANSTON. Ninety-five percent what?

Mr. PLOWDEN. Black at that time. It became 50–50 within a year.

Senator CRANSTON. It became 50–50 by when?

Mr. PLOWDEN. Within a year after it was started.

Senator CRANSTON. Any other actions that you recall?

Mr. PLOWDEN. I worked with them in the Army and the service. I had minority troops totally.

Senator CRANSTON. With regard to your commitment to equal opportunity, do your activities with Salem School of New Zion, S.C., demonstrate that commitment?

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. In what way?

Mr. PLOWDEN. They were given an opportunity to participate if they applied and paid the fee like everyone else. We did not turn anybody down.

Senator CRANSTON. Have any blacks ever applied to that school?

Mr. PLOWDEN. Not to my knowledge.

Senator CRANSTON. What is the approximate racial composition of the population of Clarendon County?

Mr. PLOWDEN. Close to 50–50.

Senator CRANSTON. What is the approximate racial composition of school district No. 3 where New Zion is located?

Mr. PLOWDEN. School district 3 was about 40–60 at that time, I believe.

Senator CRANSTON. Forty what?

Mr. PLOWDEN. Forty black and sixty white. That is for school district 3. That is not the whole county.

Senator CRANSTON. I think the State department of education, according to 1980 census data, said that about 71 percent of the school age population was black in 1970, that black enrollment of county schools was about 59 percent. Does that seem to be correct?

Mr. PLOWDEN. Yes, sir. That is for the county.

Senator CRANSTON. That was for school district No. 3.

Mr. PLOWDEN. That sounds about right.

Senator CRANSTON. Prior to school year 1970–71, to what extent were the schools in district No. 3 integrated?

Mr. PLOWDEN. In school district 3 there was minimum integration for about 2 years before 1970. We had some integration but not a great deal. It was more freedom of choice at that time, I believe. I served on the public school board for many years up to about 1955 or 1956.

Senator CRANSTON. What do you mean by minimum integration?

Mr. PLOWDEN. There was 10 or 15 minorities in the school.

Senator CRANSTON. At this point I will place in the record a letter from you to me that I received today regarding your association with the school.

Mr. PLOWDEN. That will be fine, sir.

[The letter referred to follows:]

Nov. 17, 1981

Honorable Alan Cranston
United States Senate
Washington, D. C. 20510

Dear Senator Cranston:

I want to tell you how much I appreciate your taking time from your busy schedule to discuss my nomination as Assistant Secretary of Labor for Veterans' Employment.

Pursuant to a request from your staff member Jonathan Steinberg, I am responding in writing to your question concerning my involvement with the creation of the Salem School in New Zion, South Carolina.

In May of 1970, several concerned citizens and I organized the Salem School as a non-profit corporation to provide quality education in New Zion and in the surrounding area. I served as Secretary Treasurer from 1970 - 1976 and again from 1979 - present.

The school has approximately 235 students with an open door enrollment policy as it has maintained since its inception. I intend to resign my post as Secretary Treasurer upon confirmation by the U. S. Senate. The school was totally operated by the Headmaster. I had no duties except the collection of tuition and payment for teachers' services.

If you have any further questions, I would be glad to discuss this with you.

Sincerely,

William C. Plowden, Jr.

Senator CRANSTON. Were you a member of the board of directors of New Zion from its inception in 1976?

Mr. PLOWDEN. Of the Salem School?

Senator CRANSTON. Yes.

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. Are you still a member of the board of directors?

Mr. PLOWDEN. Yes, but I am willing to resign.

Senator CRANSTON. You went off for 3 years between 1976 and 1979?

Mr. PLOWDEN. Yes.

Senator CRANSTON. You were not on the board during that period?

Mr. PLOWDEN. No, sir.

Senator CRANSTON. Regarding your statement that the purpose for setting up the school was to provide quality education, which is what you said this morning, had you not been the head of the local school board prior to 1970?

Mr. PLOWDEN. The local school board?

Senator CRANSTON. Yes.

Mr. PLOWDEN. Not immediately prior to that.

Senator CRANSTON. When did you serve?

Mr. PLOWDEN. Ten years previous to that I was. I was not chairman at that time, but I was a member of the school board.

Senator CRANSTON. When did you leave that board?

Mr. PLOWDEN. I would say around 1964.

Senator CRANSTON. I presume that in 1970 the members of the local school board were trying to provide quality education in the public school; were they not?

Mr. PLOWDEN. They were trying, yes, sir.

Senator CRANSTON. What happened to that quality in 1970?

Mr. PLOWDEN. Confusion probably more than anything else, confusion in the minds of the people and anxiety.

Senator CRANSTON. What was that occasioned by?

Mr. PLOWDEN. Legislation and laws, I imagine. They could observe what was going on in the area.

Senator CRANSTON. Which legislation are you referring to?

Mr. PLOWDEN. Legislation pertaining to schools and integration.

Senator CRANSTON. And the court orders pursuant to that?

Mr. PLOWDEN. Yes.

Senator CRANSTON. Did you believe that a new private school would be a better choice for the community than improving the public schools?

Mr. PLOWDEN. I did nothing whatsoever to hurt the public schools. I supported the public schools. I furnished them with driver training automobiles and other things at the same time.

Senator CRANSTON. However, the emphasis in the community at that time was on this private school by yourself and others that would give quality education for those who could afford to go there?

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. While there was uncertainty as to whether there would be quality education in the public schools?

Mr. PLOWDEN. Yes.

Senator CRANSTON. Yesterday when we were talking, you told me that a purpose in establishing the school beyond the purpose you have expressed this morning in response to Senator Simpson's question was to ease racial tensions?

Mr. **Plowden**. Yes, sir.

Senator **Cranston**. That was an additional purpose?

Mr. **Plowden**. That was a second purpose.

Senator **Cranston**. What was the cause of the racial tension?

Mr. **Plowden**. The same laws and integration.

Senator **Cranston**. The laws and court orders?

Mr. **Plowden**. Yes.

Senator **Cranston**. Specifically, I guess it was the 1967 court order to integrate and the 1969 court approved desegregation plan to begin with the school year 1970–71. Is that correct?

Mr. **Plowden**. State that again, please, sir.

Senator **Cranston**. The specific events that were occurring were a 1967 court order to integrate and a 1969 court approved desegregation plan that was supposed to begin in the 1970 and 1971 school year. Is that correct?

Mr. **Plowden**. Yes. I do not believe that had any effect on the timing of our organizing the school.

Senator **Cranston**. Would you say it was just a coincidence that it occurred then?

Mr. **Plowden**. The events that occurred then?

Senator **Cranston**. Are you saying it was just a coincidence that there was a desegregation plan for 1970–71 and this school was started in 1970–71?

Mr. **Plowden**. Yes, sir. It was just a coincidence that it happened at that time.

Senator **Cranston**. You do not think the school would have been started had there not been that court order for desegregation?

Mr. **Plowden**. I think it would have been started regardless of the court order. They had been discussing it 2 or 3 years previous to that.

Senator **Cranston**. I am concerned that you specified yesterday that the No. 1 reason, which you did not mention today at the outset, was to deal with tensions and reduce those tensions that obviously stemmed more than coincidentally from the court order which called for desegregation of the school.

It seems to me that the purpose in setting up the school was in good part to evade compliance with that court order, although perhaps as you see it for the further purpose of reducing tensions that some feared compliance with the court order would create.

What is your comment with regard to the suggestion that it was intended to evade the court order?

Mr. **Plowden**. I still say, sir, that the first reason and main reason was quality education. At the same time, I am sure we considered the fact that it would relieve tension among both whites and blacks at that particular moment, but quality education, I assure you, was the main purpose.

The community had discussed this school previous to 1970, but it was just in 1970 that a group of individuals got together and felt that they could initiate program, which they did.

Senator **Cranston**. Was the school set up because prior to 1970 the county schools were not providing quality public education?

Mr. PLOWDEN. It was set up to give people who wanted to participate an opportunity to participate.

Senator CRANSTON. Do you feel that the county schools are now providing quality education?

Mr. PLOWDEN. In some instances, yes, sir. I think there are some weaknesses in the private school as well as weaknesses in the public school.

Senator CRANSTON. You indicated to me yesterday when we talked that the school probably would not stay in business for more than a couple of years at the most. Why would that be the case if the public schools are still not giving quality education?

Mr. PLOWDEN. I think that the education is improving in the public schools, plus the fact that the economic situation in that area prevents some from participating in the private school now who would like to participate. It has decreased already from a maximum population of about 450 or 475 down to about 255.

Senator CRANSTON. What do you think has caused the improvement in the schools?

Mr. PLOWDEN. I think that it is due to the leadership that has improved over the last 10 years in the public schools.

Senator CRANSTON. I would note that 1970 was 16 years after the Supreme Court case of *Brown* v. *Board of Education* and that there certainly were by then examples of school systems in the South that had been peacefully integrated. Thus, I would like to ask if there was not another option open to you and the community leaders who approached you in 1970 about forming the school. That could well have been that you exercise leadership to bring about peaceful integration of the public schools. Did you consider that option?

Mr. PLOWDEN. Yes, sir.

Senator CRANSTON. What were your conclusions?

Mr. PLOWDEN. We considered it and we felt that this was the easiest way to solve the problem and that they would go back to the public schools as they saw fit to go back.

Senator CRANSTON. You did not urge that solution?

Mr. PLOWDEN. No, sir; we did not urge it. We just offered it. As I said before, sir, I did not participate to that extent at that time. I did not have the time to give.

Senator CRANSTON. You did not urge integration as an approach.

Mr. PLOWDEN. No.

Senator CRANSTON. How did you feel that setting up the school would help ease racial tension?

Mr. PLOWDEN. How did I feel about it?

Senator CRANSTON. How did you feel that creating the private school would help ease the tensions?

Mr. PLOWDEN. It gave those people who did not want to go to the public school an opportunity to go to another school and participate.

Senator CRANSTON. The practical effect of that would be to create an all white school; right?

Mr. PLOWDEN. No, sir, not necessarily. It was an open-door policy. We gave them a chance. We have minorities in the school. Some minorities came.

Senator CRANSTON. However, no blacks came.

Mr. PLOWDEN. No blacks, but Turks were one group that came.

Senator CRANSTON. If any blacks had enrolled, would that have created any racial tension?

Mr. PLOWDEN. No, sir.

Senator CRANSTON. What was the tuition in 1970 at the school?

Mr. PLOWDEN. What was the situation?

Senator CRANSTON. What was the tuition in 1970?

Mr. PLOWDEN. I believe it was $400.

Senator CRANSTON. What is it now?

Mr. PLOWDEN. I believe around $635.

Senator CRANSTON. Do you know what the average income of a black family in that area is?

Mr. PLOWDEN. Not at this time, no, sir.

Senator CRANSTON. We will seek that for the record from the Labor Department.

Regarding the community leaders who came to you and asked you to help set up the school, what positions did these people hold in the community?

Mr. PLOWDEN. That community is made up almost 100 percent of farmers. There are a very few daily workers in that immediate area. The children who came from outside of that immediate area, the outlying areas, came from families of employed people.

Senator CRANSTON. Were some of them locally elected or appointed officials in the community?

Mr. PLOWDEN. No, sir.

Senator CRANSTON. Just plain citizens?

Mr. PLOWDEN. Yes; just plain citizens and private business people.

Senator CRANSTON. I notice there are a number of people by the name of Gibbons who were involved on the board in various ways. What was the involvement of the Gibbons family in setting up the school?

Mr. PLOWDEN. Mr. Leslie Gibbons is the headmaster of the school. He had complete control of the operation of the school.

Senator CRANSTON. Apparently the family was quite active. The chairman of the board was Henley Gibbons; vice president, Ike Gibbons; principal, Leslie Gibbons; county council chairman, Curtis Gibbons. Did this family have a particular role in setting up the school?

Mr. PLOWDEN. Yes, sir. Ike Gibbons is a member of the group that helped organize the school. Henley Gibbons was chairman of the local board of the public schools of that area at that time.

Senator CRANSTON. Were there a number of children in that family who came to the school?

Mr. PLOWDEN. No, sir. Henley Gibbons did not have one. Ike Gibbons had one child attend. Curtis Gibbons' children were too old. His wife taught in the public schools.

Senator CRANSTON. What about Leslie Gibbons?

Mr. PLOWDEN. Leslie Gibbons had two to attend in the beginning. His wife taught in the school.

Senator CRANSTON. Did the principal of the East Clarendon Middle School, Mr. Strickland, send his children there?

Mr. PLOWDEN. No, sir.

Senator CRANSTON. Did you have children who attended the school?

Mr. PLOWDEN. I had one child; yes.

Senator Cranston. At the school?

Mr. Plowden. Yes, sir.

Senator Cranston. Did any of the children of board members of the Salem School attend the private school?

Mr. Plowden. Some of the teachers' children did, and some board members' children also.

Senator Cranston. Did children of any of the members of the county board of education go to the school?

Mr. Plowden. I do not remember who was on the county board at that time. That is my problem. I do not believe so, no, sir.

Senator Cranston. What buildings did the school use?

Mr. Plowden. Vacant buildings that were owned by the American Legion.

Senator Cranston. There were no public buildings?

Mr. Plowden. No, sir.

Senator Cranston. Did the school pay for the buildings?

Mr. Plowden. $1 per year.

Senator Cranston. Was the principal of the school previously a public school principal?

Mr. Plowden. Yes, sir.

Senator Cranston. Is Salem School from kindergarten to 12th grade?

Mr. Plowden. Yes.

Senator Cranston. When was that principal a public school principal?

Mr. Plowden. The year previous to the organization of the school.

Senator Cranston. At what school was he a principal?

Mr. Plowden. Maywood, sir.

Senator Cranston. How do students get to the school?

Mr. Plowden. Personal automobiles and buses that are supported by fees paid for transportation.

Senator Cranston. Is it what you would call a neighborhood school?

Mr. Plowden. Yes, sir.

Senator Cranston. However, there did have to be some busing to get to it?

Mr. Plowden. Yes, sir.

Senator Cranston. Does it share or has it ever shared any facilities with the county schools?

Mr. Plowden. No, sir.

Senator Cranston. Do you believe in equal educational opportunity for black children?

Mr. Plowden. Yes, sir.

Senator Cranston. What does equal educational opportunity mean to you?

Mr. Plowden. Equal in every way.

Senator Cranston. Let us suppose for a moment that all the county's white children had enrolled at Salem School. Could you then have provided equal educational opportunity to black children in what would be an all black county school?

Mr. Plowden. I believe so. Yes, sir.

Senator Cranston. Then I presume you do not agree with the supreme law of the land as established in the 1954 case of *Brown* v.

Board of Education which invalidated the theory of separate but equal on the grounds that segregated education was inherently unequal.

Mr. **Plowden**. I believe that we can have equal opportunities in any type of situation.

Senator **Cranston**. Do you believe you can have them with separation of the races?

Mr. **Plowden**. Yes, sir, I do.

Senator **Cranston**. You realize that when you take this position, assuming that you are approved for it, you have to take an oath to support the Constitution.

Mr. **Plowden**. Yes, sir, I will.

Senator **Cranston**. You have expressed a view that is really separate from what the interpretation by the Supreme Court is of the Constitution at the present time.

Mr. **Plowden**. I did not hear you.

Senator **Cranston**. You have expressed a view that is contrary to what is said to be the constitutional view now and what is by Supreme Court decree the position that segregated education, where there is separation of the races, is inherently unequal.

Mr. **Plowden**. I believe in my country. I will support my country to the fullest. When I take that oath, that will be my oath.

Senator **Cranston**. You will support whether you agree or disagree?

Mr. **Plowden**. Absolutely, yes.

Senator **Cranston**. You mentioned that you severed all relationships with the school in 1976. Why did you do that?

Mr. **Plowden**. I went to work in Columbia and I did not have the time. I did not feel it was right for me to continue with the school when I was working in Columbia. When I came back, I could not refuse them when they asked me just to sign the checks.

Senator **Cranston**. You did not feel there would be a matter of incompatibility, but it was a matter of time.

Mr. **Plowden**. No, sir.

Senator **Cranston**. How much time had you been devoting to the school prior to 1976?

Mr. **Plowden**. Very little. I had three automobile agencies, a farm, and an insurance agency that I had to run. I had very little time, practically none, except on the weekends.

Senator **Cranston**. How did you happen to resume the relationship with the school recently?

Mr. **Plowden**. They just came to me and asked me would I please sign the checks. I had been secretary/treasurer and my bookkeeper was available. I was the only one in the community that they felt had the facilities.

Senator **Cranston**. You are presently secretary/treasurer and a board member?

Mr. **Plowden**. That is right.

Senator **Cranston**. How much time is involved with that now?

Mr. **Plowden**. We only meet about twice a year.

Senator **Cranston**. There are still no black children at the school?

Mr. **Plowden**. No.

Senator **Cranston**. Are you aware of the extent of unemployment among young black veterans?

Mr. **Plowden**. Yes, sir.

Senator CRANSTON. Specifically, it is 11.1 percent for black 25- to 29-year-olds in the third quarter of 1981, which is more than 50 percent higher than whites in the same age group.

Do you regard black unemployment as a very serious problem?

Mr. PLOWDEN. I sure do, sir.

Senator CRANSTON. Do you regard one of your main responsibilities as trying to deal with that problem?

Mr. PLOWDEN. I sure do, yes.

Senator CRANSTON. In light of your activities in establishing and running the all white Salem School over a 10-year period, what do you believe you can do to give blacks and other minority group veterans confidence in your commitment to meeting their particular employment needs?

Mr. PLOWDEN. I believe the fact that my assistant is here is important. He knows and understands my relationship with them. Mr. Billy Fleming of the NAACP of that county endorsed me. He knows of my activities and reputation. I do not think he would have endorsed me if he had not felt I could serve them in every capacity.

Senator CRANSTON. Can you cite any actions from your record as director of Veterans' Employment in South Carolina to provide reassurance to black veterans that you plan to work as Assistant Secretary to help their situation?

Mr. PLOWDEN. My assistant can confirm the fact that even though we were not an employment service but a monitoring service we have allowed them to come into our office freely, and we have assisted every one we possibly could. We encouraged them rather than discouraged them from coming in. I believe this is an indication of my desire to do everything for them.

Senator CRANSTON. I think that completes my questioning. I thank you.

Mr. PLOWDEN. Thank you, Senator.

[Subsequent responses of William C. Plowden, Jr., to questions by Hon. Alan Cranston, Ranking Minority Member of the Committee on Veterans' Affairs, follow:]

SUBSEQUENT RESPONSES OF WILLIAM C. PLOWDEN, JR., ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT-DESIGNATE, TO QUESTIONS BY HON. ALAN CRANSTON, RANKING MINORITY MEMBER OF THE SENATE COMMITTEE ON VETERANS' AFFAIRS

QUESTION 1. In my pre-hearing question 1-C, I had requested that you provide for the record a written assurance from the Secretary that you will have direct access to him. This assurance in writing had been provided in the past in connection with the confirmation of each of the two Deputy Assistant Secretaries for Veterans' Employment. I realize that, since the position for which you have been nominated is now at the Assistant Secretary level, this may seem a somewhat unusual request. However, in light of the access-related difficulties that the DASVE encountered in the past, I believe it is an appropriate and important assurance. Will you request the Secretary to provide us with such a letter for the record?

RESPONSE: The requested letter is enclosed.

QUESTION 2. In response to my pre-hearing question 1-E, dealing with consultation with the other Assistant Secretaries, you cited the Secretary's Order establishing the Office of the ASVE. Would you please provide a copy of that order for the record?

RESPONSE: The Secretary's Order establishing the new Office of the Assistant Secretary for Veterans' Employment has not been finalized. We will provide a copy for the record as soon as it has been signed.

QUESTION 3. A. With respect to the "simple sign-off procedure" that you indicated in answer 1-E was in place to ensure your involvement in all matters that may affect veterans, who decides whether your sign-off is needed on an issue -- the originator?

B. What is to prevent the originating office, for example, OFCCP, from taking some action that affects veterans employment and not including you in the sign-off process?

RESPONSE: The procedure requires that all matters affecting veterans directly or indirectly must be cleared with the Office of the ASVE. I am confident that this arrangement is workable.

QUESTION 4. A. When do you anticipate that the memoranda of understanding, that you referred to in your response to question 2-A, will be developed to delineate the structure of cooperation between your Office and the ETA and ESA Offices?

RESPONSE: I anticipate that the memoranda of understanding between my office and the Employment and Training Administration and Employment Standards Administration offices will be completed in approximately 90 days.

QUESTION 4. B. When each such memorandum is finalized, will you provide the Committee with a copy please?

RESPONSE: We will be pleased to provide the Committee with copies of these memoranda once they are completed.

QUESTION 4. C. Please also advise the Committee which member of your national office staff you designate as a liaison to ESA.

RESPONSE: Since I am still in the process of assembling my national office staff, I have not yet designated a specific staff member to serve as liaison to ESA. I will advise the Committee of my designee as soon as it is made.

QUESTION 5. You indicated that the structure for the ASVE Office will be finalized in about three weeks. At that time, will you please advise the Committee of the organizational outline of your office, as requested in my question 2-C?

RESPONSE: We will be pleased to provide the Committee with an outline of the new ASVE Office once the organization plan is approved.

QUESTION 6. A. When do you expect the staffing reductions and budget for the ASVE Office to be finalized?

B. When that is done, please advise the Committee of the staffing, salaries, and expenses plans for the national office, as requested in question 5-D?

RESPONSE: Responsibility and authority regarding staffing reductions and budget matters will be transferred to me immediately upon the establishment of my office. This should be accomplished by the end of December. As soon as completed, I will provide you with the requested staffing, salaries, and expenses plans for the national office.

QUESTION 7. In question 5-A, I asked you whether there will be reductions in your headquarters or field staff. Your response does not give me a specific answer to this question. Can you tell me now whether there will be reduction?

RESPONSE: As of this date specific budget and staffing levels have not been determined. I will furnish you with that information when it is available.

QUESTION 8. You indicated in response to question 6-A that your office will be meeting with the VA to initiate amendments to the interagency agreement of understanding as well as to develop new interagency initiatives.

A. At what level will these meetings occur?

RESPONSE: Initially, we will hold meetings at the staff level, chiefly between VES and the Department of Veterans Benefits and Vet Center Central Office staff to negotiate the amendments. Following acceptance and a clearance of the draft amendments, I anticipate that I will meet with Administrator Nimmo to discuss further initiatives.

QUESTION 8. B. Who will be your principal contact at the VA?

RESPONSE: My own principal contact at the VA will, of course, be Bob Nimmo. In addition, I intend to designate a member of my immediate staff as a liaison to the VA. Based on future discussions with Mr. Nimmo, I anticipate that he will in turn designate a member of his staff as liaison to my office.

QUESTION 8. C. Do you expect to meet regularly with Administrator Nimmo?

RESPONSE: I anticipate meeting on a regular, perhaps quarterly, basis with Mr. Nimmo. Our staff liaisons should be in contact on nearly a daily basis.

QUESTION 8. D. Can you tell us what amendments and new initiatives you have in mind?

RESPONSE: We need to negotiate amendments to the Agreement to formalize DVOP outstationing arrangements, authorized by P.L. 96-466. I would also like to explore with the VA possible options for further increasing the availability of employment services to Vet Center clients, coordinating our programs to create better access to the employer community for the Vocational Rehabilitation and on-the-job training programs, and explore new means to increase participation in the Targeted Jobs Tax Credit program, particularly for veterans newly enrolling in VA on-the-job training programs.

QUESTION 9. In question 6-C, I asked whether you have plans for increasing the level of cooperation between the Department and the VA regarding utilization of GI Bill benefits for apprenticeship and other OJT and job placement assistance for veterans participating in VA's vocational rehabilitation programs for service-connected disabled veterans. Your answer does not indicate any specific plans in this regard. Do you have any such plans?

RESPONSE: Among the initiatives I intend to explore with Administrator Nimmo are options for developing VA/OJT and apprenticeship opportunities in the private sector. I would like to explore ways in which employer visits can be increased in light of the reduced staffing in the Job Service. I also intend to explore with the Administrator new ways in which the VA/OJT program may be linked with the Targeted Jobs Tax Credit (TJTC) program to elicit greater interest in VA/OJT.

QUESTION 10. In response to question 6-E, you stated that you are ready to sit down with Bob Nimmo to determine the best way to increase access to the employer community for the VA's OJT program.

A. Have you requested such a meeting?

RESPONSE: Administrator Nimmo and I will be discussing an agenda of initiatives at our next meeting which I will schedule immediately after my confirmation.

QUESTION 10. B. At the very least, it seems that all State, Assistant State, and Local Directors of Veterans' Employment should be advised of the GI Bill targeted delimiting date extension, which was enacted in Public Law 97-72 and which takes effect on January 1, so that eligible veterans seeking assistance at employment service offices can be made aware of this new opportunity. Do you agree and will you take action in this regard?

RESPONSE: I have asked VES staff to issue a directive to the field staff of VES informing them of the targeted delimiting date extension authorized by P.L. 97-72. We will also work with Employment and Training Administration staff to prepare a similar directive to all Job Service offices and prime sponsors under the Comprehensive Employment and Training Act.

QUESTION 11. A. Have each of the individual projects involved in the veterans outreach and community services program received their fiscal year 1982 funding allocations?

RESPONSE: As of this date no FY 1982 funds have been allocated to any contractors operating projects under the Veterans Outreach and Public Information Program (VOPIP).

QUESTION 11. B. Please provide for the record the exact status of funding for each project.

RESPONSE: Veterans Outreach and Community Services (VOCS) projects developed in conjunction with the White House Veterans Coordinating Committee and funded by contract through the Department of Labor continue to operate in three cities (New York City, Oakland, and Detroit). All other VOCS contracts have expired. The three projects still in operation will expire by January 1982.

QUESTION 12. A. After you complete -- in 90 days -- the re-evaluation of the direction of the outreach and public information program, will you share the results with the Committee?

RESPONSE: We will be happy to provide this information to the Committee.

QUESTION 12. B. Are there parts of the existing program that you believe should be abandoned?

RESPONSE: There are no particular program areas which I believe should be abandoned at this time.

QUESTION 13. A. You indicated that the tentative budget for the outreach program for fiscal year 1982 is $1.3 million and that that would be "adequate in the context of (your) present program direction." When will the budget for that program be finalized?

RESPONSE: The Secretary recently approved the total funding levels for all portions of Special National Program Activities including the VOPIP. The funding level has been set at $1.3 million.

QUESTION 13. B. What was the level of funding for this program in fiscal year 1981?

RESPONSE: Excluding DVOP, the total VOPIP funding level in FY 1981 was $2.6 million.

QUESTION 13. C. You further stated that you "will be working closely with the Assistant Secretary for ETA to identify the funding needs and budget levels for the administration of the veterans outreach and public information program." This seems to imply that the Assistant Secretary for ETA will be the primary decision maker in determining the budget. Is that so?

RESPONSE: No. The Secretary makes the final decision.

QUESTION 14. A. With respect to the DVOP program, how many DVOP slots are now vacant and how many DVOP's are outstationed? (provide for record)

RESPONSE: As of October 30, 1981, there were 1,403 DVOP positions filled of the 2,016 authorized; 613 were vacant; and 116 DVOP's were outstationed at authorized sites.

QUESTION 14. B. Based on your experience as SDVE for South Carolina, what is your personal evaluation of the effectiveness of the targeted jobs tax credit as a means of promoting veterans' employment and what efforts do you plan to make to encourage greater use of it?

RESPONSE: Because the TJTC program provides employers an incentive in the form of tax credits it has proven to be an excellent vehicle for promoting employer opportunities for veterans in South Carolina. Under the Revenue Act of 1978 (P.L. 95-600) Vietnam-era veterans had to be under 35 years of age to be eligible to participate in TJTC. This restriction did limit veteran participation since it screened out many veterans in need of jobs and job training. The Economic Recovery Act of 1981 removed this age restriction which should result in greater effectivenss.

I plan to pursue a program which will blend outreach and public information, job development and employer relations activities to increase awareness of TJTC.

QUESTION 14. C. Do you believe that active efforts to link the DVOP program with the targeted jobs tax credit could enhance the veteran's attractiveness to potential employers and, if so, how would you provide for such a linkage?

RESPONSE: Linkage of DVOP functions and promotion of TJTC can prove very beneficial to the veteran with employment needs. To provide this linkage, VES will coordinate with officials of ETA in order that program direction and implementation can be channeled properly to local Job

Service offices. I do believe that efforts to link the DVOP program with the TJTC program could enhance job opportunities for veterans. We will provide DVOP staff with information on the advantages of the TJTC program, as well as the VA/OJT program and request that they intensify their job development and employer relations efforts in promotion of these activities.

QUESTION 15. With respect to your response that you will take steps to improve the Department's record of making VRA appointments and to encourage other agencies to make greater use of VRA's, will you advise the Committee in the future of the specific actions you take?

RESPONSE: I will keep the Committee advised of our actions in this area.

QUESTION 16. In response to question 10 regarding the regulations to implement section 2012 of title 38, regarding employment of Vietnam-era and disabled veterans by Federal contractors, you indicated that you have been assured that any input you wish to make will be given "every consideration".

A. Does this mean that you will have an opportunity for input prior to the time that the regulations are published for comment or does it mean that once the regulations are published, your comments -- like those of the general public -- will be considered?

RESPONSE: The Office of Federal Contract Compliance Programs will give my office ample opportunity for input during the development of veteran-related regulations. Also, the Departmental clearance process will allow additional input prior to publication of both proposed and final rules.

QUESTION 16. B. On October 26, I wrote to the Department of Labor expressing my concerns regarding revised regulations that had been published for comment with respect to the enforcement of executive order 11246 and the impact of those proposed revisions on implementation of section 2012. So that you can be aware of my concerns, we will provide you a copy of that letter.

RESPONSE: Thank you for providing us with a copy of your letter to Secretary Donovan.

QUESTION 16. C. Have you at this time any preliminary ideas as to the recommendations you would make in the area of improvements in the section 2012 program of affirmative action for the hiring of these veterans by federal contractors?

RESPONSE: As Assistant Secretary for Veterans' Employment, I will recommend to the Secretary of Labor that more emphasis be placed on making Federal contractors aware of their responsibilities under Section 2012 and the advantages of hiring veterans. In addition, it is vital that Job Service offices are made aware of the potential for increased veterans placement with these employers.

QUESTION 17. A. How often do you anticipate that the Secretary's Committee on Veterans' Affairs will meet?

B. Will you please keep the Committee advised of all scheduled meetings?

RESPONSE: The Secretary's Order establishing the Secretary's Committee on Veterans' Affairs calls for meetings twice yearly. I plan to recommend holding quarterly meetings and more frequently if necessary. The Committee will be advised of all scheduled meetings.

QUESTION 18. You indicated that the Department has not had any representation on the interagency Agent Orange Working Group. I believe your answer is indicative of the lack of communication in the Department between those involved in veterans' issues. The fact is that the Labor Department was already represented on the predecessor working group, and was reappointed by the White House to the expanded group on July 17, 1981. The September 1981 list of designated representatives shows that Lloyd Aubry, Special Assistant to the Secretary of Labor, is the lead representative for the Department. In addition, serving on the Department's team are Dr. David Logan, Research and Medical Officer, OSHA, and Mr. Donald Cagle, Industrial Hygenist. I hope at your earliest opportunity that you will be in touch with Mr. Aubry and discuss your relationship with the working group.

RESPONSE: I met with Mr. Lloyd Aubry on November 18 to discuss this issue. He has provided me with a briefing paper on the working group and our involvement. I will work closely with this Committee.

QUESTION 19. In your response to question 15, you did not indicate in connection with part C, what emphasis you will place on increased enforcement and monitoring activities by the VES. Can you respond to that question now and provide further details for the record?

RESPONSE: The role of VES in relationship to activities of the Job Service and CETA must be strengthened by emphasizing a partnership approach. I intend to incorporate improved mechanisms for information and data exchange into the cooperative arrangements with other DOL components. We need to monitor more closely how well Job Service and CETA are doing so that we can provide assistance in improving veteran services provided by those programs.

QUESTION 20. Last month, for the first time in many months, the rates of unemployment for all age categories of Vietnam-era veterans exceeded the rates of unemployment for comparable categories of non-veterans. In one category, ages 25 through 29, the rate for Vietnam-era veterans was almost 50 percent higher than the rate for non-veterans. What plans do you have for immediate action to address the needs of those veterans?

RESPONSE: I plan to immediately stress to the employer and service communities the employment needs of our veterans, especially those groups with disproportionately high unemployment rates. I have found that employers and service deliverers are willing to help in any way they can when you show them a need and request their assistance. We must make them more aware of veterans' programs and also emphasize that veterans are a valuable resource.

THE UNDER SECRETARY OF LABOR
WASHINGTON

November 20, 1981

Mr. William C. Plowden, Jr.
Assistant Secretary Designate
for Veterans Employment
U. S. Department of Labor
Washington, D. C. 20210

Dear Bill:

The Secretary and I welcome you to the Department of Labor. We want you to know that we are looking forward to working with you. As you know, our doors are always open, and I hope you will feel free to come in and talk with us whenever you have the need.

The Secretary and I are especially pleased that this new position has now been filled, since it is extremely important to us that we stay in constant and close contact with the veterans of this Nation.

Best regards,

MALCOLM R. LOVELL, JR.

Chairman **Simpson**. Did you find that a fascinating experience?

Mr. **Plowden**. Yes, very fascinating.

Chairman **Simpson**. I was called to the office of the majority leader. The good Senator from California used to give me free swing on the other side. He has some very serious questions. I hope you responded properly to them.

Certainly in this arena of Washington there is nothing more volatile than the issue of race. I have seen it come to cloud issues when it never should have been there, and I have seen it come to take the precedence when I did not think it was appropriate.

In any event, it is something that needed to be aired. I think I reviewed all of the documents presented, including the FBI reports. In particular, of the viewpoints of those in your community. I think the wire from the president of the NAACP in South Carolina, Mr. Billy Fleming, was very important for me. He says: "We wholeheartedly endorse the appointment of W. C. Plowden as Assistant Secretary of Labor for Veterans' Affairs. If appointed, we are sure Mr. Plowden will be a credit to his country." That is from Mr. Billy Fleming, president of the Manning branch of the NAACP.

It is very important that it be aired. I feel it has.

I believe there will be other questions submitted in writing by other members of the panel for the record. I will direct those to you very quickly.

We will now hear from witnesses consisting of Mr. Philip Riggin, director of the National Legislative Commission of the American Legon; Cooper T. Holt, executive director of the Veterans of Foreign Wars of the United States; Ronald Drach, national employment director of the Disabled American Veterans; and John Fales, the employment director of the Blinded Veterans Association.

I thank you very much, Mr. Plowden, for your attentiveness and your responsiveness to the chairman and to the ranking member of this committee.

Mr. **Plowden**. Thank you, Mr. Chairman. I appreciate everything.

Chairman **Simpson**. Good afternoon.

Please proceed. I think you know of the time situation. We are interested in your remarks.

TESTIMONY OF E. PHILIP RIGGIN, DIRECTOR, NATIONAL LEGISLATIVE COMMISSION, THE AMERICAN LEGION, ACCOMPANIED BY JAMES G. BOURIE, DIRECTOR, ECONOMICS DIVISION

Mr. **Riggin**. Thank you, Mr. Chairman.

For the record, my name is Phil Riggin. I am legislative director for the American Legion. With me this afternoon is Jim Bourie, director of our economics division for the American Legion. He is prepared to offer a brief statement on behalf of our organization. Both of us will be available to respond to whatever questions you may have.

Mr. **Bourie**. Mr. Chairman, the American Legion is appreciative of this opportunity to express its views on the nomination of William Plowden to be the Assistant Secretary of Veterans' Employment in the U.S. Department of Labor.

As many of you well know, the American Legion does not endorse any candidate for positions within the Federal Government. We believe this to be a sound and proper course.

Mr. Chairman, we are most gratified that the Department of Labor has finally moved ahead to fill the Assistant Secretary of Veterans' Employment position which has remained vacant for over 1 year.

There is no doubt that the Veterans' Employment Service is in need of a strong and dedicated leader, especially during these times of budget and personnel cuts. During this year, the VES has suffered irreparable damages in the way of budget cuts. Additionally, many key field positions are vacant and have been vacant for a lengthy period of time.

Moreover, the fiscal 1982 Veterans' Employment Service budget is unresolved with its source fragmented and additional cuts being contemplated. We are also troubled over the Disabled Veterans Outreach program as many States have become resistant to it.

If we were to prioritize our questions, we would certainly place the question of commitment from top Labor officials as our No. 1 concern. As the VES has been the target of every Department budget cut, we seriously hold in question their commitment to veterans and their support of the position of Assistant Secretary of Veterans' Employment. If the ASVE does not enjoy the fullest measure of commitment and cooperation from Department officials, we believe the program will suffer damage of irreversible magnitude.

Mr. Chairman, the VES is at a critical point in time. Yet this can also be a time of new beginnings and optimism. The American Legion was instrumental in the creation of this position and, in the past, felt only that the position of a full Assistant Secretary of Veterans' Employment with its own distinct program area could fully address the serious problem of veterans' unemployment. The VES must have clear program objectives and an absolute sense of mission.

The full Assistant Secretary of Veterans' Employment will assume a most difficult situation with time being of the essence. We nonetheless believe that given the proper administrative setting and attitude, a mission oriented ASVE will indeed prove beneficial to all veterans.

Mr. Chairman, the American Legion thanks you and this committee for allowing us to present its views.

Chairman SIMPSON. Thank you very much, Mr. Bourie. I had not heard your testimony before at these types of hearings. It was very effective.

We will just come down the table. Next will be Ron Drach.

TESTIMONY OF RONALD W. DRACH, NATIONAL EMPLOYMENT DIRECTOR, DISABLED AMERICAN VETERANS

Mr. DRACH. Thank you, Mr. Chairman.

I will try to be brief also and make myself available for any questions you may have.

I, too, would like to thank you for giving us the opportunity to appear before you today to testify on the confirmation hearings of the first Assistant Secretary for Veterans' Employment.

We are concerned, Mr. Chairman, that this appointment of Mr. Plowden, or at least the nomination of Mr. Plowden, is the last Presidential appointment in the Department of Labor. That has to make us question the commitment of this current administration as to its level of concern for veterans' employment problems and programs.

We are appreciative of the actions this committee has taken over the years to introduce and pass legislation designed to assist in addressing some of these problems. I think what we need now is enforcement rather than any new laws. We would hope that this committee would exercise its oversight responsibility and authority in the future.

As you mentioned throughout the hearing, Mr. Plowden is to be the principal adviser to the Secretary of Labor. Effective communication is needed. A need for a Deputy Assistant Secretary is there. Reorganization is needed. I would recommend and urge that you consider very heavily the possibility of having continuing hearings on these matters, specifically maybe 6, 9, or 12 months from now to bring Mr. Plowden back, assuming he is confirmed.

However, more than that, I think we need to get accountability from the Assistant Secretary for ETA, the Secretary of Labor himself, and the Under Secretary for Employment Standards. Many of the questions that I have, and I believe the committee has, cannot be answered by Mr. Plowden or the Assistant Secretary. They have to be answered by others within the Department of Labor because they are the people who make the decisions.

We believe the reorganizations should incorporate the function of the Office of Veterans' Reemployment Rights being transferred over. We went on record back in January during the transition with Mr. Schubert, the transition chief, that the transfer of function should take place.

I was happy to hear that you are recommending a top staff person be assigned as liaison to OFCCP. There has been a sad lack of communication between those two components.

DVOP is another major area of concern to us. There is a need for monitoring and reporting of their activities. The funding issue is still up in the air.

I think perhaps the most important issue on funding is not as much the dollar amount but who administers those dollars. We strongly urge that that money be administered by the Assistant Secretary for Veterans, not the Assistant Secretary for ETA.

We have proof that States are already in violation of that law. Senator Cranston asked a question about outstationing. I have a letter to our State commander in Oregon from the administrator of the employment division in Oregon in response to outstationing. If I may, I would like to quote:

> In view of the current funding situation surrounding the DVOP program, no decisions on outstationing can be made at this time.

The law provides that the Secretary shall provide moneys for DVOP. It does not give any relief to the outstanding provision of that law. Here is a State that is in blatant violation of the law, in writing telling us that they are not going to outstation DVOP personnel.

In concluding, I would like to make mention of the fact that the existing vacancies with VES equate to approximately 237 man-hours, almost 24 years of work-hours. To us, that is deplorable. We are talking about jobs that are federally mandated positions, not administratively filled. They should be filled immediately. This is excellent opportunity for Mr. Plowden to exercise his authority to appoint qualified disabled and Vietenam-era veterans under existing authorities.

Thank you very much, Mr. Chairman.

Chairman SIMPSON. Thank you very much, Mr. Drach.

[The prepared statement of Ronald W. Drach, national employment director, Disabled American Veterans, follows:]

PREPARED
STATEMENT OF
RONALD W. DRACH
NATIONAL EMPLOYMENT DIRECTOR
DISABLED AMERICAN VETERANS
BEFORE THE
SENATE VETERANS AFFAIRS COMMITTEE
AND
LABOR AND HUMAN RESOURCES COMMITTEE
ON THE CONFIRMATION OF
WILLIAM C. PLOWDEN, JR.
FOR THE POSITION OF
ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT
NOVEMBER 17, 1981

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEES:

The Disabled American Veterans welcomes this opportunity to appear before you today to provide testimony on the confirmation of William C. Plowden, Jr. to be the first Assistant Secretary of Labor for Veterans' Employment.

As you know, the Department of Labor has several positions that are filled through Presidential Appointments. It is significant, in our opinion, to point out that this appointment is the last one to be filled in the Department of Labor. The fact that this is the last one and comes almost 10 months after the current Administration took office is of paramount concern to the Disabled American Veterans.

Mr. Chairman, Section 504 of Public Law 96-466, the Veterans Rehabilitation and Education Amendments of 1980, amended Section 2002A of Title 38 and changed the position of Deputy Assistant Secretary of Labor for Veterans' Employment to a full

Assistant Secretary of Labor for Veterans Employment. The incumbent of this position is to be appointed by the President with the advice and consent of the Senate. One of the major functions of this individual is to be "...the principal advisor to the Secretary of Labor with respect to the formulation and implementation of all departmental policies and procedures..." regarding veterans' employment programs.

Mr. Chairman, apparently the Secretary of Labor has been without such a principal advisor since he took office early in 1981. We have to conclude that the Secretary has received very little advice and consultation with respect to veterans' employment programs. The DAV views this lack of action by the current Administration as insensitive to the employment needs of this nation's veterans, especially disabled veterans.

Mr. Chairman, the DAV wishes to offer the following views, recommendations and suggestions that we believe are necessary for Mr. Plowden to carry out the literal intent of Congress.

In the past we have seen bureaucratic barriers that inhibited and virtually prohibited the former Deputy Assistant Secretary from complying with federal law. We believe that the incumbent of this position should have the ability to fulfill that mandate without interference from other Department of Labor officials.

Direct access to the Office of the Secretary of Labor and the Secretary himself is imperative.

All too often over the past several years we have seen policy determinations and implementing instructions issued without any discussions with the Office of Veterans' Employment. Effective communication between the Department of Labor and veterans' organizations has been substantially ineffective. On many occasions the DAV has learned of policy determinations affecting veterans' employment and training programs from other sources. Inquiries revealed that many times the Office of Veterans' Employment was not even informed, let alone permitted to have input into the decision-making process.

Mr. Chairman, the task facing Mr. Plowden is no less immense today than it was four years ago. There are still no official unemployment data on disabled veterans, but there are for Vietnam Era veterans. I would like to point out that in October of 1977 Vietnam Era veterans age 25 to 29 had a 6.9% unemployment rate. As of October 1981 that has increased to 10.7%. In October of 1977 Vietnam veterans age 30 to 34 had a 5.3% unemployment rate and in October 1981 that has increased to 5.7%.

We believe it is also significant to point out that again in October 1981 Vietnam Era veterans' unemployment significantly exceeds the unemployment of non-veterans in the same age groups.

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With the exception of only a few months, this has held true since the Bureau of Labor Statistics started collecting these statistics in 1970.

The following data are from the Department of Labor's Bureau of Labor Statistics:

October 1981	Ages	Veterans	Non-Veterans
	25-39	6.5%	5.8%
	25-29	10.7	7.2
	30-34	5.7	5.0
	35-39	5.2	4.3

Mr. Chairman, we believe it imperative that Mr. Plowden be confirmed at the earliest possible time in order that he may start "advising" the Secretary of Labor regarding veterans' employment programs and, perhaps more importantly, employment problems.

We have urged the Department of Labor in the past and will continue to urge the appointment of a Deputy Assistant Secretary to work directly with Mr. Plowden.

We believe that an immediate reorganization should take place to assure that the Veterans' Employment Service is elevated to the status consistent with other components having an Assistant Secretary as its head. We recommended and continue to support the transfer of the Office of Veterans' Reemployment Rights functions from the Assistant Secretary for Labor Management Services to the Assistant Secretary for Veterans' Employment.

We also believe that a closer coordination should exist between VES and the Office of Federal Contract Compliance Programs (OFCCP). Currently OFCCP investigates complaints of discrimination against federal contractors by covered disabled and Vietnam Era veterans. We are at this time reserving judgement as to the entire transfer of that function to the Assistant Secretary. We do, however, believe that Mr. Plowden should designate a top staff person to be the liaison between his office and OFCCP. We also believe that the Assistant Secretary should have functional responsibility to oversee the enforcement activities of OFCCP as they relate to covered veterans. This responsibility should also be delegated to the VES field staff.

Mr. Chairman, perhaps the most significant concern we have today is the future of the Disabled Veterans Outreach Program. As we know, the program was first announced in 1977 by former Secretary of Labor Ray Marshall. Public Law 96-466 made it permanent. The staffing formula in the law provides for approximately 2,018 positions nationwide. Estimated costs for the first year (FY '82) range from $30 million to $47 million. There is language in both the House and Senate Appropriations Committees that would authorize $43 million to the states to administer DVOP. We believe this $43 million to be sufficient and necessary to carry out the Congressional mandate in DVOP.

One of the persistent problems in the past four years was that a monitoring system never was implemented to assure DVOP personnel were performing the functions delineated. We are apprehensive that this may continue in the future, unless Mr. Plowden implements a monitoring and reporting procedure.

Additionally, we believe that the $43 million, or whatever other amount is ultimately appropriated, should be administered by the Assistant Secretary's Office. The monies should definitely not be under the control of the Assistant Secretary for Employment and Training and administered through the normal "grants to states" process that funds the State Employment Security System. We believe that without those controls abuses in DVOP will be rampant.

Mr. Chairman, we believe that the incumbent should also strongly urge and encourage the Secretary of Labor to reestablish and conduct the quarterly meetings of a "Secretary's Committee on Veterans Affairs." That Committee has functioned on and off over the years and was generally chaired by the Secretary of Labor with the Vice Chairmanship assigned to the former Deputy Assistant Secretary for Veterans Employment. We believe that these meetings should be reestablished and Mr. Plowden should be designated as the Vice Chairman.

We also believe that the Assistant Secretary needs to take immediate action to fill existing vacancies within the Veterans Employment Service Field Staff. Included in these vacancies are 1 Regional Director for Region IX based in San Francisco, California; 2 State Directors for Veterans Employment; 11 Assistant State Directors and 9 secretaries. A complete breakout by position, state and date of vacancy is included as follows:

State Directors -	West Virginia, May, 1981
	Tennessee, June, 1981
Assistant State Directors -	New York, January, 1980
	Florida, July, 1980
	Kansas, October, 1980
	North Carolina, November, 1980
	Maryland, November, 1980
	Ohio, December, 1980
	West Virginia, January, 1981
	Indiana, March, 1981
	Wisconsin, April, 1981
	Arkansas, May, 1981
	Texas, September, 1981
Secretaries -	Nevada, December, 1978
	New Jersey, September, 1979
	Michigan, January, 1980
	Illinois, March, 1980
	Louisiana, March, 1980
	Texas, August, 1980
	California, December, 1980
	Virginia, June, 1981

Mr. Chairman, these are positions that are mandated by federal law. In the aggregate they represent 287 months or almost 24 years of lost manpower. The average length per vacancy is 13.7 months.

We would anticipate that high on the priority list for Mr. Plowden would be to fill those existing vacancies without intervention from other Labor Department officials.

This would be an excellent opportunity for Mr. Plowden to exercise the authority contained in Section 3112 of Title 5, U. S. Code to appoint noncompetitively those disabled veterans rated 30% or more. He could also use the Veterans' Readjustment Appointment Authority recently extended by Public Law 97-72. By using these authorities the positions of State Director and Assistant State Directors could be filled in a relatively short time.

Mr. Chairman, that concludes our statement and we would be happy to respond to any questions.

* * *

Chairman SIMPSON. Mr. Fales?

TESTIMONY OF JOHN FALES, JR., EMPLOYMENT DIRECTOR, BLINDED VETERANS ASSOCIATION

Mr. FALES. Thank you, Senator. It is good to see you again.

Chairman SIMPSON. It is always good to see you, John.

Mr. FALES. Sir, I was happy to hear about Mr. Plowden belonging to all these veterans' organizations: the American Legion, the VFW, and so on. I am so happy he is not eligible for membership in the Blinded Veterans Association.

Chairman SIMPSON. You always keep your sense of humor through some difficult times.

Mr. FALES. You need it in this town, sir.

I want to take this opportunity to come here to wholeheartedly endorse Mr. William Plowden. In order for him to be successful and to carry out the program that have been mandated by Congress, it is essential that he be able to manage and direct these vital programs. Only in this way can he reverse the trend of the upward unemployment rates among disabled and all veterans.

I have attached to my testimony a resolution asking for the dismissal of the State director of the Veterans' Employment Service in Arkansas. It hurts to have to do this. This was done because this State director blatantly discriminated against this not only blinded veteran but one leg amputee.

I am confident and the Blinded Veterans Association is confident that Mr. Plowden will look into this matter. Hopefully, this will never happen again.

I only hope that Mr. Plowden does have success. He has the cooperation of the Blinded Veterans Association, and he has my personal good wishes and support.

Thank you, sir.

Chairman SIMPSON. Thank you very much.

[The prepared statement of John Fales, Jr., employment director, Blinded Veterans Association, follows:]

BLINDED VETERANS ASSOCIATION
1735 DeSALES STREET, NORTHWEST • WASHINGTON, D. C. 20036 • (202) 347-4010

PREPARED STATEMENT OF JOHN FALES, JR., EMPLOYMENT DIRECTOR
BLINDED VETERANS ASSOCIATION
ON THE SENATE CONFIRMATION OF WILLIAM C. PLOWDEN, JR. AS ASSISTANT SECRETARY OF LABOR FOR VETERANS EMPLOYMENT

Tuesday, November 17, 1981

Mr. Chairman, distinguished members of the Committee on Veterans Affairs and the Committee on Human Resources. On behalf of the Blinded Veterans Association, I wish to express my sincere appreciation for this opportunity to appear before you today.

The BVA is proud and honored to wholeheartedly endorse William C. Plowden, Jr., for the position of Assistant Secretary of Labor for Veterans Employment.

In order for Mr. Plowden to be successful, it is essential that he be able to manage and direct all veterans employment programs within the U.S. Department of Labor. The Assistant Secretary of Veterans Employment must also be responsible for the funding of all U.S. Department of Labor Veterans Employment programs.

Mr. Plowden must be in the position to initiate and create new employment and training programs to reverse the trend of higher unemployment rates among Vietnam-era veterans (age 25-29 10.7%; age 25-39 6.5%).

The BVA is confident that Mr. Plowden will eliminate the systemic employment discrimination against the blinded and other severely disabled veterans within the Veterans Employment Service and throughout the entire U.S. Department of Labor.

The BVA membership unanimously passed resolution NO. 35/81, asking for the dismissal of the Arkansas State Director of the Veterans Employment Service for blatant discrimination against a blinded veteran whom he was supposed to be training and supervising (See attached Resolution).

It is hoped that Mr. Plowden will thoroughly investigate this incident and take appropriate action to ensure that this blatant discrimination never again take place within the VES.

It is rumored that the Office of Federal Contract Compliance Programs will be removed from the U.S. Department of Labor and that the responsibility of these programs will be transferred to the Equal Employment Opportunity Commission. Although Vietnam-era veterans, disabled veterans and handicapped affirmative action programs have been ineffective within the U.S. Department of Labor, transferring them to the EEOC would be disastrous.

The employment picture for Vietnam-era veterans, disabled veterans and other veterans looks bleak. Veterans will be unemployed because they do not have the viable skills, and in the future, jobs will be vacant because there will be a lack of skilled individuals to perform them. However, Mr. Chairman, the BVA feels strongly that Mr. Plowden's qualifications, commitment and leadership ability will enable him to manage the existing veterans programs effectively and create additional innovative programs to insure every veteran an opportunity to continue to contribute to this great country of ours.

Mr. Chairman, I again wish to thank you for giving me the opportunity to appear before your distinguished committees.

BLINDED VETERANS ASSOCIATION
1735 DeSALES STREET NORTHWEST • WASHINGTON D C 20036 • (202) 347-4010

RESOLUTION NO. 35/81

WHEREAS, there has been systemic employment discrimination against blinded veterans within the Federal Government, AND

WHEREAS, the BVA has been reluctant to take strong action against individuals and Federal Agencies who have been guilty of this discrimination, AND

WHEREAS, the BVA knows of a recent and specific case of malicious discrimination within the State of Arkansas, AND

WHEREAS, this malicious discrimination by the Arkansas State Director of the Veterans Employment Service U.S.D.O.L. caused a blinded veteran to resign his position, AND

WHEREAS, the Veterans Employment Service was originally established to prevent such discrimination, AND

WHEREAS, the BVA should not allow this type of action to go unchallanged in this specific case nor in future cases, THEREFORE BE IT

RESOLVED, that the BVA ask for the dismissal of the State Director or the Arkansas State Veterans Employment Services U.S.D.O.L.

Chairman SIMPSON. Next is Cooper T. Holt of the VFW.

TESTIMONY OF COOPER T. HOLT, EXECUTIVE DIRECTOR, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. HOLT. Thank you, Mr. Chairman.

My name is Cooper T. Holt. It is my privilege to serve the more than 1.9 million men and women of the Veterans of Foreign Wars as the executive director of the Washington office.

Mr. Chairman, as is a matter of record, legislation introduced by the Honorable Strom Thurmond and supported by the VFW became one of the provisions of Public Law 96–466, the Veterans' Rehabilitation and Education Amendment of 1980, which elevated the position of Deputy Assistant Secretary of Labor for Veterans' Employment to the level of Assistant Secretary, and was approved by the President on October 17, 1980. Now 13 months later, during which the position has remained vacant, these joint committees are considering the confirmation of Mr. Plowden who is a member of VFW Post 641 in Columbia, S.C.

Mr. Chairman, I want you to know I have personally met Mr. Plowden. I believe that, if confirmed, he will bring new life and much needed impetus to the Veterans' Employment Service. Since 1976, he has been the State director of Veterans' Employment in South Carolina. In addition, he has been a small businessman, having operated a Ford dealership in Lake City for a number of years. Mr. Plowden impressed me as a person who is a strong veterans' advocate and one who knows the ways of the small businessman.

Mr. Chairman, I would like to take this opportunity to call to the attention of both these committees and the Assistant Secretary of Labor for Veterans' Employment-designate that there are presently 21 legislatively mandated positions within the Veterans' Employment Service that continue to remain vacant. One such vacancy has existed for almost 3 years.

Specifically, these vacancies are 2 State directors, 12 assistant directors, and 7 secretaries. The VFW has repeatedly expressed concern to officials within the Department of Labor regarding these vacancies.

In addition, I want you to know that we oppose in the strongest possible terms recent attempts to eliminate the 52 secretarial positions within the VES and urge that current law be amended to clearly indicate that the intent of 38 U.S.C. 2003 is to mandate Federal civilian secretaries at the State director level and, furthermore, that the necessary funding be included in the Department of Labor appropriation to support this activity. If it does not work this way, it is not going to work, Senator.

In this connection, I point out to you that travel funds for the VER's has, over the years, been inadequate, and present budgetary constraints compound the problem. For example, in fiscal year 1981, approximately $536,000 was allocated for VES travel, which was revised on March 23, 1981 to $458,000 when the Employment and Training Administration imposed general cutbacks.

Since the VES is presently working under a continuing resolution which has no specific allotment for travel, and since everyone in ETA is under a travel freeze except for special or emergency conditions, travel money should be one of Mr. Plowden's major concerns.

This is especially true since planning levels for travel within the whole Employment and Training Administration will be approximately one-third of the 1981 budget or $2 million versus $6 million. Needless to say, it is absolutely imperative that the field staff of the VES not only be allowed but encouraged to travel to meet the day-today duties of their positions to find jobs for veterans.

Mr. Chairman, as we have previously testified, the Department of Labor has over the years given the VES a very low priority. Even within its own agency it has been far down on the list in the hiring of veterans. We looked for improvement in this situation when the Honorable Raymond J. Donovan became Secretary of Labor. Unfortunately, such has not proven to be the case.

Positions continue to remain vacant over long periods. The Secretary fails to respond to correspondence or communications from us with respect to the Veterans' Employment Service. I sincerely believe if there is to be improvement, these committees must periodically hold oversight hearings with respect to the VES.

In a related area, Mr. Chairman, and with large reduction in force in Federal civilian employment and the termination of agencies, we believe the duties of the VES should be expanded to include the monitoring of veterans' employment in Federal agencies within each State. While I fully realize Federal civilian employment falls within the purview of the Office of Personnel Management, I firmly believe whatever action is deemed necessary to permit the VER's to monitor Federal agencies should be pursued and so recommend to this committee.

Mr. Chairman, the VFW endorses the confirmation of Mr. Plowden. We believe as Assistant Secretary of Labor he should have the direct and necessary access to the Secretary of Labor and the authority commensurate with the vast responsibilities of his office, both of which are prerequisites to a viable employment service for our Nation's veterans. We further believe that with his past experience and the resources available to him; namely, a professional staff, he has the tools available to do a creditable job.

Thank you.

Chairman SIMPSON. Thank you very much, Cooper Holt. We always appreciate your testimony.

[The prepared statement of Cooper T. Holt, executive director, Veterans of Foreign Wars of the United States, follows:]

VETERANS OF FOREIGN WARS OF THE UNITED STATES

THE EXECUTIVE DIRECTOR

PREPARED
STATEMENT OF

COOPER T. HOLT, EXECUTIVE DIRECTOR
WASHINGTON OFFICE
VETERANS OF FOREIGN WARS OF THE U. S.

BEFORE THE

JOINT HEARING OF THE SENATE VETERANS' AFFAIRS COMMITTEE
AND THE SENATE LABOR AND HUMAN RESOURCES COMMITTEE

WITH RESPECT TO THE CONFIRMATION OF WILLIAM CORSKEY PLOWDEN, JR.
TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS EMPLOYMENT

WASHINGTON, D. C. NOVEMBER 17, 1981

MR. CHAIRMAN AND MEMBERS OF THE JOINT COMMITTEE:

Thank you for the privilege of appearing before these joint Committees to present the views of the Veterans of Foreign Wars of the United States.

My name is Cooper T. Holt and it is my privilege to serve the more than 1.9 million men and women of the Veterans of Foreign Wars as the Executive Director of the Washington Office.

Mr. Chairman, as is a matter of record, legislation introduced by the Honorable Strom Thurmond, and supported by the VFW, became one of the provisions of Public Law 96-466, the "Veterans' Rehabilitation and Education Amendments of 1980," which elevated the position of Deputy Assistant Secretary of Labor for Veterans Employment to the level of Assistant Secretary which was approved by the President October 17, 1980. Now, thirteen months later, during which the position has remained vacant, these joint Committees are considering the confirmation of Mr. Plowden who is a member of VFW Post 641 in Columbia, South Carolina.

Mr. Plowden was born July 15, 1918, in New Zion and is a graduate of The Citadel where he earned a bachelor of science degree in business administration. A veteran of World War II who served in the China-Burma Theater with the United States Army, he was promoted to Lieutenant Colonel at the age of 26 and retired from the Army Reserve in 1965 as a Colonel.

Mr. Chairman, I have personally met with Mr. Plowden and believe that if confirmed, he will bring new life and much needed impetus to the Veterans Employment Service. Since 1976, he has been the State Director for Veterans Employment in South Carolina and, in addition, has been a small businessman, having operated a Ford dealership in Lake City for a number of years. Mr. Plowden impressed me as a person who is a strong veterans' advocate and one who knows the ways of small businessmen.

Mr. Chairman, I would like to take this opportunity to call to the attention of both these Committees and the Assistant Secretary of Labor for Veterans Employment designate that there are presently 21 legislatively mandated positions within the Veterans Employment Service that continue to remain vacant and one such vacancy has existed for almost three years. Specifically, these vacancies are two State Directors, 12 Assistant Directors and seven secretaries. The VFW has repeatedly expressed concern to officials within the Department of Labor regarding these vacancies. In addition, we oppose in the strongest possible terms recent attempts to eliminate the 52 secretarial positions within the VES and urge that current law be amended to clearly indicate the intent of 38 USC 2003 is to mandate federal civilian secretaries at the State Director level. Furthermore, that the necessary funding be included in the Department of Labor appropriation to support this activity. In this connection I point out to you that travel funds for the VERs has, over the years, been inadequate and present budgetary constraints will compound this problem. For example, in fiscal year 1981, approximately $536,000 was allocated for the Veterans Employment Service travel which was revised on March 23, 1981, to $458,000 when the Employment and Training Administration imposed general cutbacks. Since the VES is presently working under a continuing resolution which has no specific allotments for travel, and since everyone in ETA is under a travel freeze except for special or emergency conditions, travel money should be one of Mr. Plowden's major concerns. This is especially true since planning levels for travel within the whole Employment and Training Administration will be approximately one-third of the 1981 budget or $2 million versus $6 million. Needless to say, it is absolutely imperative that the field staff of the Veterans Employment Service not only be allowed, but encouraged to travel to meet the day-to-day duties of their position, to find jobs for veterans.

Mr. Chairman, and as we have previously testified, the Department of Labor has over the years given the Veterans Employment Service a low priority. Even within its own agency, it has been far down on the list in the hiring of veterans. We looked for improvement in this situation when the Honorable Raymond J. Donovan became Secretary of Labor, but unfortunately, such has not proven to be the case. Positions continue to remain vacant over long periods and the Secretary fails to respond to communications from us with respect to the Veterans Employment Service. I sincerely believe if there is to be improvement, these Committees must periodically hold oversight hearings with respect to the Veterans Employment Service.

In a related area, Mr. Chairman, and with large reductions in force in federal civilian employment and the termination of agencies, we believe the duties of the Veterans Employment Service should be expanded to include the monitoring of veterans employment in federal agencies within each state. While I fully realize federal civilian employment falls within the purview of the Office of Personnel Management, I firmly believe whatever action is deemed necessary to permit the VERs to monitor federal agencies should be pursued and so recommend to these Committees.

Mr. Chairman, the VFW endorses the confirmation of Mr. Plowden. We believe as an Assistant Secretary of Labor he should have the direct and necessary access to the Secretary of Labor and authority commensurate with the vast responsibilities of his office, both of which are prerequisites to a viable employment service for our nation's veterans. We further believe that with his past experience and the resources available to him, namely, a professional staff, he has the tools available to do a creditable job.

Thank you.

Chairman SIMPSON. I thank you all for your testimony. It is helpful to the two committees that are here at the joint hearing.

We look forward to receiving responses to the questions submitted to Mr. Plowden by the various members of the committee. I would hope to have a response to those questions by the end of the week. I think that would be appropriate. If not, please contact me and we will see about an extension. However, the sooner, the better.

Upon receipt, we will look forward to a polling of the two committees to which the nomination has been referred. Assuming what I think will be a very favorable response, we will then report the nomination on to the full Senate.

I thank the members of the veterans' organizations for their patience.

I thank you, too, Mr. Plowden, for your patience, and, to the Plowden family, thank you for being with us this morning.

That will conclude the hearing.

[Whereupon, at 1 p.m., the committee recessed, to reconvene at the call of the Chair.]

[The following responses by William C. Plowden, Jr., to written questions submitted by Hon. Dan Quayle, chairman of the Subcommittee on Employment and Productivity, Committee on Labor and Human Resources; a letter dated November 19, 1981, from the South Carolina Conference of Branches, National Association for the Advancement of Colored People; a letter dated November 30, 1981, from Hon. Alan Cranston, ranking minority member of the Senate Committee on Veterans' Affairs; and a letter dated December 3, 1981, from William C. Plowden, Assistant Secretary for Veterans' Employment-Designate, were received by the committee for the hearing record:]

RESPONSE OF WILLIAM C. PLOWDEN, JR., TO WRITTEN QUESTIONS SUBMITTED BY. HON. DAN QUAYLE, CHAIRMAN, SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY, COMMITTEE ON LABOR AND HUMAN RESOURCES

QUESTION 1. The Congress has made it clear that there should be an effective job and job training counseling service program, employment placement service program and job training placement service program for eligible veterans. Can such a program be more effectively and efficiently administered by the Veterans Administration or by the Department of Labor?

RESPONSE:

The Department of Labor is responsible for the Nation's federally funded employment and training services which are administered through two major delivery systems: the State Employment Security Agencies and prime sponsors under the Comprehensive Employment and Training Act (CETA). As such, Congress has determined that job services for veterans should be provided through the Department's programs. The Veterans Administration, with the exception of the new vocational rehabilitation program, has had virtually no involvement with either placement or job counseling services, and specifically no direct contact with the employer community. To establish a labor exchange system and a job training service within the VA would be costly and duplicative of services already funded by the Department. For these reasons, I believe that the Department of Labor is the logical and most cost effective agency to administer job services for veterans.

QUESTION 2. Do you think training opportunities should be afforded under the G.I. bill as an entitlement so that Veterans would not be placed in a position to have to compete for training slots with other needy segments of the population, such as is now the case with CETA.

RESPONSE:

I believe that a distinction must be made between entitlements as generally administered by the VA and services provided by the Department of Labor. The key to job training, particularly in the private sector, is access to the employer community. The VA is neither authorized nor equipped to provide that access except on a very limited scale. The Department of Labor, on the other hand, has direct access to employers. I do not believe that because veterans employment is the responsibility of the Department of Labor that veterans must necessarily compete with other needy segments of the population for training services, as is presently the case under CETA. The problem experienced by veterans in many local employment and training programs is in the design of the current legislation which compels such competition. CETA could indeed be redesigned to establish training programs for veterans apart from the programs developed for the general community. Such a practice is already followed for Native Americans, migrant and seasonal farmworkers and older workers under present CETA legislation.

QUESTION 3. I am aware of the continued assertion that Vietnam Era veterans have special employment problems. Are you familiar with those problems. In your various management positions have you had experience with recruiting and/or hiring Vietnam Era veterans.

RESPONSE:

I am familiar with the special employment problems of Vietnam-era veterans. I have elaborated on these problems in my responses to questions 4 and 6. I have also had the benefit of dealing directly and indirectly with recruiting and hiring Vietnam-era veterans. As a small business owner and manager I have employed Vietnam-era veterans. I have always felt that it is our responsibility as Americans to help our veterans in any way we can. More recently, as State Director for Veterans Employment in South Carolina, I have had many opportunities to assist Vietnam-era veterans in their search for a job.

QUESTION 4. Do you see any basic or major differences between the plights of World War II, Korean Era and Vietnam Era veterans when it comes to the need for employment training.

RESPONSE:

In general, World War II and Korean veterans who need such training are older, have had significant occupational training and experience, and are probably unemployed due to technological changes accelerated by the economic downturn or relocation of industries. They need to be given training in new occupational skills and job finding techniques to enable them to compete in modern industries, with emphasis on transfer of existing skills to new occupations.

On the other hand, Vietnam-era veterans in general have had less attachment to the labor force which means less training and experience. Many have never learned skills that permit them to compete outside the military with their nonveteran peers. Training needs of Vietnam-era veterans probably need to be geared more to learning basic occupational skills required in today's economy.

The bottom line in any training program is the availability of productive jobs at the end of training. Any veteran training program must have full cooperation and involvement of the private sector which is viewed as the primary source of job opportunities.

QUESTION 5. From the BLS data, one might infer that younger veterans of the post Vietnam Era, and veterans of any age group who are minority group members continue to face definite disadvantages in the job market. Do you think that is an accurate inference? If so, what should we do about these problems.

RESPONSE:

The unemployment data on Vietnam-era veterans provided by the Bureau of Labor Statistics in recent years has continually indicated that younger (i.e., 20-29 years old) Vietnam-era veterans and those who are also members of minority groups have not fared as well as similarly aged non-veterans. Therefore, it probably is accurate to infer that younger veterans of the post-Vietnam Era also are experiencing relatively greater employment problems than their non-veteran peers. It also should be noted that the most recent statistics issued by the BLS (for October 1981) showed higher unemployment rates for Vietnam-era veterans than for non-veterans in every age group. I think that the data strongly suggests that we must deal with the structural unemployment problems in the case of the young veterans and minority group veterans, and cyclical problems in the case of most, but not all, older Vietnam-era veterans. For a variety of reasons, a significant number of veterans in the labor force are in industries which are highly vulnerable to recessionary forces, and therefore are disproportionately affected when recessions occur; the "last hired, first fired" syndrome appears to be a key factor affecting Vietnam-era veterans, as the Vietnam-era veteran unemployment rates rose similarly during the recession in the mid 1970's.

Emphasis should be placed on alleviating the structural problems by creating opportunities for recently separated veterans to receive high quality skills training in private sector occupations for which there is known long-term demand.

On-the-job training would be the best mode, for two basic reasons: experience has shown that the great majority of veterans prefer working to participation in classroom activities; and, since most veterans are no longer entitled to unemployment compensation after discharge, nor for G.I. Bill allowance for occupational training, they need the income. Such veterans should be considered a national target group since their problems are clearly related to their period of military service.

Solutions to the older veterans' problems seem more elusive, since it is not clear what proportion have become unemployed strictly because of the recessionary cycle. Again, I think it best to focus on identifying those who never had the opportunity to be trained in skills known to have long-term demands, and ensuring that training opportunities are made available to such veterans on a priority basis.

QUESTION 6. Do veterans, and more specifically Vietnam Era veterans continue to have unique adjustment needs or has time eased this problem for these men and women. How do these adjustment needs affect their capacity to find and hold jobs. How do these needs differ from those experienced by Veterans returning from other campaigns.

RESPONSE:

Veterans, especially Vietnam-era veterans, continue to have unique readjustment needs. These needs are the result of a combination of many factors.

As indicated by the Presidential Review Memorandum (PRM) published in October 1978, Vietnam-era veterans have severe readjustment problems. The PRM cited statistics which showed alarming rates of psychiatric problems, alcoholism, drug dependence, and incarceration for Vietnam-era veterans well out of proportion for their incidence in the population. It was pointed out by the PRM that these problems stemmed from inability to readjust to civilian life.

Vietnam-era veterans were released in much greater numbers over more years than World War II and Korean veterans. They were expected to find their way in the civilian labor force in times of job scarcity and fewer G.I. Bill and Federal occupational training opportunities than veterans of previous conflicts. The Nation and more importantly its employer community did not welcome them back with open arms.

While time has given many veterans the opportunity to "catch up", it has not greatly eased the readjustment problems because many still have not had the proper training or opportunity to enable them to find and hold jobs.

QUESTION 7. Would the needs of Veterans for Employment training programs be better served by decision-making on the use of the funds at the State level or at the local level. --- by decisions on the use of the funds being made by government or by private industry.

RESPONSE:

It is important to bear in mind that veterans are a segment of the population created pursuant to National defense policy. For this reason, the Nation has a special responsibility to address the needs of veterans including job training. It has been my experience that local communities tend to view veterans as a national, specifically Federal, responsibility. For this reason, I believe that no matter what type of funding system is set in place, at whatever level of government or in the private sector, it is the Federal Government's responsibility to assure that the training needs of our veterans are successfully met.

SOUTH CAROLINA CONFERENCE OF BRANCHES
NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE
P. O. BOX 1148 COLUMBIA, S. C. 29202 PHONE 252-3990-1
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TREAS. EMERITUS
REV. BERNIE DINGLE
PARLIAMENTARIAN
MORDECAI C. JOHNSON
STATE GENERAL COUNSEL
ISAAC W. WILLIAMS
FIELD DIRECTOR

November 19, 1981

The Honorable Alan Simpson, Chairman
Veterans Affairs Committee
United States Senate
6205 Dirksen Street
Senate Office Building
Washington, D. C.

Dear Senator Simpson:

A news article in the State Newspaper, Columbia, South Carolina, November 18, 1981 indicated that the S. C. Chapter of the NAACP sent a telegram to the joint hearing of the Veterans Affairs and Labor & Human Resources Committee endorsing the nomination of W. C. Plowden of Clarendon County as Assistant Secretary of Labor for Veterans. The article was in error. The letter endorsement was sent by Mr. Billy S. Fleming, President of the Manning, South Carolina Branch of the NAACP. The Manning Branch is one of 92 units of the NAACP in South Carolina and expressed the view of that unit and not the entire South Carolina Conference of Branches, NAACP.

The South Carolina Conference of Branches, NAACP has not endorsed or opposed the nomination of Mr. Plowden. However, we are concerned with Mr. Plowdens' previous involvement with the creation of a private school in Clarendon County. We are also disturbed about his view that "the education of blacks and whites could be carried out on a separate but equal basis". Anyone holding this view in 1981 is seriously suspect.

Yours for freedom,

W. F. Gibson

W. F. Gibson, D.D.S., President
S. C. Conference of Branches, NAACP

Isaac W. Williams, Field Director

WFG/IWW:lbh

ccs: Senator Strom Thurmond, Senator Ernest F. Hollings, Ms. Althea Simmons, Billy S. Fleming.

ALAN K. SIMPSON, WYO., CHAIRMAN
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GEORGE J. MITCHELL, MAINE

THOMAS E. HARVEY
CHIEF COUNSEL AND STAFF DIRECTOR

United States Senate
COMMITTEE ON VETERANS' AFFAIRS
WASHINGTON, D.C. 20510

November 30, 1981

Honorable Alan K. Simpson
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, D.C. 20510

Dear Al,

I am writing in response to your motion that the Committee favorably report by poll the nomination of William C. Plowden to be Assistant Secretary of Labor for Veterans' Employment.

I do not object to proceeding by poll, but request, I regret to say, that I be recorded "Nay" on the question of confirmation. After careful review of the transcript of the hearing, I cannot consent to this nomination because of my fundamental disagreement with the position Mr. Plowden expressed, in response to questions I asked him, regarding school desegregation and the "separate but equal" doctrine and his testimony regarding his actions with respect to and the circumstances surrounding the establishment (at the same time as the court-ordered desegregation plan was implemented) and maintenance for the last 11 years of the all white, Kindergarten-through-12th-grade private school (Salem Schools, Inc.) in his home town of New Zion, South Carolina. On the basis of the record on these points, I am unable to conclude that Mr. Plowden has the requisite commitment to equal opportunity for all individuals -- whether it be in education or employment -- and I doubt that most black veterans, or other black Americans for that matter, could be satisfied on this account were they to review the transcript.

This reflects my own very personal judgment on this matter. I have made and will make no effort to generate opposition to this nomination in Committee or on the Senate floor. I will, however, insist that I be present to cast a "Nay" vote when the Senate takes up the nomination.

I request that this letter be made an official part of the Committee's proceedings on this nomination and be printed in the hearing record.

As a courtesy, I am sending Strom Thurmond a copy of this letter.

With warmest regards,

Cordially,

Alan

Alan Cranston
Ranking Minority Member

cc: Honorable Strom Thurmond

December 3, 1981

Honorable Orrin G. Hatch
Chairman, Committee on Labor
  and Human Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

It has come to my attention that a question has arisen concerning my nomination as Assistant Secretary of Labor for Veterans' Employment because of a statement I made at my confirmation hearing regarding the so-called "separate but equal" doctrine of education addressed by the U.S. Supreme Court in the case of *Brown* v. *Board of Education*.

The impression left by my answer on that day is an incorrect one. I do not now nor did I ever support the separate but equal premise of education and I strongly support equal opportunity for all persons.

If I am confirmed for the position for which I have been nominated, I intend to pursue policies that would provide employment opportunities for veterans regardless of race and intend to target my efforts in the areas of highest veteran unemployment which, as you know, is comprised of minority veterans. I intend to discharge my duties as advocate for the veteran in accordance with the laws of this nation and the intent of the Congress.

I regret any misunderstanding and stand ready to discuss this or any other matter with you and other Members of the Senate.

Sincerely,

William C Plowden

William C. Plowden
Assistant Secretary-Designate
  Veterans' Employment

cc: Honorable Edward M. Kennedy